FBIS DAILY REPORT

CONTENTS

East Europe

5 Aug 87 FBIS-EEU-87-150

ARMS CONTROL & DISARMAMENT

Chnoupek Addresses CSCE Meeting in Vienna [RUDE PRAVO 1 Aug] BB 1
Assesses Soviet-U.S. Arms Talks BB 5
Views CSCE, Pershing Missiles [Bratislava PRAVDA 1 Aug] BB 6
SFRY Delegate Welcomes Swedish Proposal at CSCE BB 7

ALBANIA

Leaders' Public Appearances 26 July-1 August A 1
Economic Progress Report for 26 July-1 August A 1

BULGARIA

Mozambique's Chissano Concludes Official Visit B 1
Zhivkov Toasts Guest [RABOTNICHESKO DELO 31 Jul] B 1
Toasts Zhivkov B 3
Addresses Press B 3
Departs 3 August B 4
RABOTNICHESKO DELO Carries Plenum Speeches, Resolution B 5
Zhivkov Speaks 28 July [29 Jul] B 5
Atanasov Delivers Address [30 Jul] B 20
Delegates Pass Resolution [30 Jul] B 24
Medical Academy President To Head AIDS Project Team B 25

CZECHOSLOVAKIA

Tatar Demonstrations in Moscow Reported [RUDE PRAVO 31 Jul] C 1
Havlin Receives Cypriot Party Leader 4 August C 2
Book on 'Clerical Anticommunism' Reviewed [RUDE PRAVO 31 Jul] C 2
Problems Noted in Military Training of Students [Bratislava PRAVDA 31 Jul] C 3
Briefs: Sri Lanka Trade Minister Visits; Lenart Visit to Cooperative; Zavadil Tours Oseva Farm; Young Churchmen Meet in Prague C 4

GERMAN DEMOCRATIC REPUBLIC

Radiation Protection Agreement Signed With FRG G 1
Kessler Receives RCP Delegation 4 August G 1
Briefs: Mexican Envoy Ends Tour; Felfe Visits Potsdam Bezirk; Nigerian Minister Departs G 1

HUNGARY

Spokesman Banyasz Comments on Ministers' Meeting H 1

POLAND

Jaruzelski, Messner Message to Honecker, Stoph P 1
[NEUES DEUTSCHLAND 4 Aug]
PRC Planning Commission Visit Recounted P 1
Trade Meeting Calls for More Exports to USSR P 2
[TRYBUNA LUDU 1-2 Aug]
1988 Plan Sets 'Economic Balance' as Main Issue P 4
Communique on 28 July Politburo Session Published P 4
[TRYBUNA LUDU 30 Jul]

ROMANIA

Ceausescu Invites Peres, Shamir for Talks R 1
[Tel Aviv MA'ARIV 3 Aug]
RCP Central Committee PEC Meets 3 August R 1
Visit by LCY's Krunic Endorsed R 1
Plan Fulfillment Discussed R 2
Papandreou's Visit Endorsed R 3
Growth in Exports of Chemical Products Viewed R 4
Briefs: Death of Gheorghe Petrescu R 4

YUGOSLAVIA

SAWPY Conference Delegates Debate Economic Trends Y 1
[POLITIKA 31 Jul]
Group Proposes Amendments to SFRY Constitution Y 9
POLITIKA Reports Leader Appearances 25-30 July Y 10
Briefs: Envoy, USSR Official Meet; Y 10
USSR Tourist Agreement

CHNOUPEK ADDRESSES CSCE MEETING IN VIENNA

AU031441 Prague RUDE PRAVO in Czech 1 Aug 87 pp 1,7

[Unnamed CTK correspondent's report: "There Is Still Much To Be Done For a Stable and Peaceful World"]

[Text] Vienna (CTK) -- Bohuslav Chnoupek, CSSR minister of foreign affairs, addressed the Vienna CSCE follow-up meeting on Friday [31 July]. He assessed the course of the deliberations to date and expressed the conviction that the Vienna meeting will move the Europe-wide process forward. The Friday session was also addressed by Alois Mock, Austrian minister of foreign affairs, and other heads of delegations of the participating countries. The deliberations of the Vienna meeting were then interrupted, and after a summer recess they will resume on 22 September.

In his speech, Minister B. Chnoupek said, among other things:

My intention to address the Vienna follow-up meeting is motivated by only one thing: to share with you the view on the state of the most momentous issues discussed at this forum, to express -- in the spirit of cooperation -- some ideas which could contribute to solving these tasks. And in this, of course, I proceed from the present situation in which we have succeeded in halting the escalation of international tension and creating conditions to alleviate it. This is a hopeful development. However, much still has to be done before we can speak about a stable and peaceful world.

The changes for the better which we are witnessing have many objective and subjective factors of a socioeconomic, military-political, and international nature. The program of restructuring, perfecting the systems of managing the national economy, deepening democratization, and other phenomena of the new dynamism in the lives of the socialist countries are playing a great, and I even venture to use the term indispensable, role in this. Only states which rely on long-lasting peace and creative work for the benefit of man can realize such profound changes.

Minister Chnoupek further noted the unusually broad range of disarmament initiatives from the socialist countries, especially the Soviet Union, from last year's still topical program for the elimination of nuclear weapons and other weapons of mass destruction by the end of the century, to the proposal to considerably reduce the numbers of armed forces and conventional armaments in Europe. This also includes the latest USSR proposal submitted in Geneva on Wednesday [29 July], aimed at strengthening the agreement on limiting antimissile defense,the objective of which is to prevent the militarization of space and create prerequisites for limiting strategic weapons.

The bold procedure of the two statesmen in Reykjavik has opened up a view toward the horizon of a world without nuclear weapons. It seemed that creating it was almost within the hand's reach. Unfortunately, this did not happen.

However, since then, agreement has fortunately become more feasible at the Soviet-U.S. talks on nuclear and space weapons in Geneva. The path to the agreement now in the offing is paved with principled steps of a responsible approach to the fate of mankind, such as the latest exceptionally important USSR proposal voicing a readiness to scrap nuclear missiles of this class, not only in Europe, but also in Asia, if the United States does the same. [paragraph continues]

Together with realistic politicians and the public in virtually the whole world, we expect that as a response, demands will be dropped which are actually at variance with the nuclear weapons nonproliferation treaty and which make it possible for such nuclear systems to be left on European soil.

Czechoslovakia cannot indifferently watch efforts to retain U.S. nuclear warheads on West German Pershing-1A missles, which directly affect our security.

At the same time, we are convinced that signing such a mutually acceptable agreement will provide an impetus to accelerate the disarmament process in its entire dimension.

All countries can and should play an active role. Therefore, together with the GDR we have come forward, with the proposal to establish a non-nuclear corridor 150 km wide on both sides of the line of contact between the Warsaw Pact and NATO in central Europe. We are interested in a sort of "dilution" of the level of military confrontation on this sensitive region. A similar purpose is also served by the CSSR and GDR proposal to create a zone without chemical weapons as a step toward a global ban on these weapons. Also aiming in the same direction are the proposals from the People's Republic of Bulgaria and the SR of Romania to establish a zone without nuclear and chemical weapons on the Balkans, the PPR's proposal to reduce armaments and increase trust in central Europe, the north European states' efforts to create a nuclear-free zone on that region.

Tomorrow 12 years will have elapsed since the signing of the Final Act of the Helsinki conference. In this period the European process has proved its viability, has become a stabilizing factor in our continent, and has significantly contributed to the development of mutually advantageous cooperation and dialogue in all spheres.

Regarding the first basket, we proceed from the fact that the results of the Stockholm conference orient the states participating in CSCE toward transition to a comprehensive system in the sphere of military security. This system would include confidence- and security-building measures, as well as disarmament measures. This approach was also reflected here, in the proposal tabled by the PPR last December. We therefore suggest the resumption of the conference's work on confidence- and security-building measures and on disarmament on the basis of a mandate which we will formulate together in the final document of the Vienna follow-up meeting.

Regarding the sphere of confidence and security, we want new steps to be added to the measures already adopted. They should concern, for instance, the activity of air and naval forces and the limitation of large military operations, so that the measures adopted would apply to the territories of all participating states.

The prospect of the global elimination of intermediate-range missiles and of operational-tactical missiles increasingly concentrates attention on the issue of reducing the numbers of armed forces and conventional armaments, together with tactical nuclear devices, of course. In the Budapest Appeal last year, the Warsaw Pact states were already the first to present a concrete program for action to the NATO states and all European countries. They further elaborated their positions at the session of the Warsaw Pact's Political Consultative Committee in Berlin.

As the term "from the Atlantic to the Urals" indicates, the initiative has a Europe-wide dimension. It influences the security interests of all states of the continent, without exception. Therefore, we thought and still think that the Europe-wide process is the most natural framework for discussion and the solution of this problem.

Here we proceed from the conviction that reducing of armed forces and armament and the issue of European security concerns all the states participating in CSCE, as well as members and nonmembers of military-political blocks, big and small. This is enforced by truly comprehending the mutual linkage between the security of everyone and the security of all states, the decisions from Helsinki and Madrid, the results from Stockholm.

The attempts to exclude precisely disamament issues from the Helsinki process, from the triad of objectives determined for the conference on confidence- and security-building measures, and on disarmament, would constitute the revision of one of the foundations of the Europe-wide process.

Attempts to substitute the strengthening of trust and security, the mutual gradual substantial reduction of armed forces and armaments, and genuine disarmament by some sort of "conventional stability" do not benefit this process.

Future negotiations must ensure a substantial and comprehensive reduction of the military potentials in Europe, and in the course of this process the elimination of the existing imbalance regarding the two sides' armed forces and armament. We also proposed a number of momentous measures concerning the most dangerous offensive weapons. Tactical nuclear devices, including the tactical air force, in particular, must not be ignored.

At the same time we note that in their latest proposals the NATO countries favored the inclusion of the problem of military security in the final document of the Vienna follow-up meeting. This provides hope that the impasse in assessing issues of military security will be overcome, and that prerequisites will be created for a successful conclusion of the Vienna meeting. At the same time, however, in our view these proposals have major shortcomings. They lack an unequivocal orientation toward a genuine reduction of armed forces and armaments, and of tactical nuclear devices, they evade the issue of the interrelationship between talks on confidence-building measures and talks on disarmament, and arbitrarily limit the participants.

Neither can I remain silent on the fact that since the beginning of the Vienna follow-up meeting, for the past 7 months the 16 NATO states have not tabled a single proposal in the sphere of military security, and did so only a few days prior to the originally planned conclusion of the meeting.

This, too, shows the problems and difficulties which we have had to face and which we should evade in the future. An impulse toward overcoming them would doubtless be given by the proposed meeting of the CSCE states' foreign ministers, which could decide the opening of Europe-wide talks on radical cuts in armed forces and armament.

In this connection I also would like to recall the Warsaw Pact states' proposals for consultation with the NATO countries on military doctrines. These could serve a better mutual understanding and the ensuring of favorable conditions for opening and conducting such talks, all the more so since the Warsaw Pact's military doctrine is oriented toward resolving the fundamental task of mankind, which is to avert both nuclear and conventional war.

We regard it as correct that the Vienna follow-up meeting pays appropriate attention to the Mediterranean issue. We have studied the ideas and proposals from Limassol and Brioni with great interest. [paragraph continues]

The Soviet proposal for withdrawing U.S. and Soviet Naval Forces from the Mediterranean, also extending confidence-building measures in the military sphere to this region, refraining from stationing nuclear weapons on the territories of Mediterranean non-nuclear countries, as well as convening a consultation on strengthening stability and cooperation in the Mediterranean fully reflect our concept.

Trade, economic, industrial, scientific-technical, and ecological cooperation today become not only a stabilizing, but also a driving factor in European politics.

The economic restructuring which we are implementing in Czechoslovakia, B. Chnoupek continued, is -- apart from emphasis on improving the functioning of the domestic economic mechanism -- also oriented toward the activation of external relations. This involves not only the direct relations with the CEMA states, but also its European-wide dimension.

This was also one of the reasons why at the beginning of the Vienna follow-up meeting I proposed the convening of a European-wide economic forum in Prague. Its co-authors are the Hungarian People's Republic, the GDR, and the PPR. The economic changes under way in the socialist countries create interesting new opportunities for pragmatic, initiative, and enterprising approaches to the issues of trade, industrial cooperation, or finance.

Within the framework of the economic forum, we are ready to discuss all these issues, bearing in mind the improvement of conditions for the activity of trade circles, and the expansion of their contacts and economic information. We are also taking into consideration discussions on optimum conditions for the establishment of joint ventures, including perfecting of the administrative and legal basis of this cooperation. We have already gained initial experience and it will certainly be useful to get acquainted with this.

The economic forum would not completely fulfill its task if it failed to also pay attention to the financial and credit aspects of trade and industrial cooperation, including the growing role of institutions operating in this sphere. Therefore, we think that the time has come to establish new joint banking and financial enterprises between the socialist and the Western states.

Naturally, we rely on representatives of trade, business, bank, and scientific circles to be the motive force of the forum and in our country we will create the most favorable conditions for their fruitful activity.

We see humanitarian cooperation as an integral and momentous component of strengthening all fundamental structures of the Europe-wide process. In this we can lean on a wealth of experience today. This experience shows that only constructive cooperation devoid of the confrontational residues of prejudice, as well as a respect for the equilibrium of interests and for European realities also lead to the solution of humanitarian issues. A more favorable atmosphere in East-West relations provides new opportunities for an even more active contribution by all participating states to dynamizing the development of humanitarian cooperation on more than just a European scale. Unjustified and onesided demands, as well as attempts to permanently seek shortcomings only on the partners' side bring about stagnation and even have a regressive impact.

There is no doubt that the deliberations of the Vienna follow-up meeting can provide instructions and solutions to resolve the realities in this sphere. [paragraph continues]

The coefficient of the meeting's usefulness will without doubt be increased by the adoption of a decision on convening a conference of CSCE participating states on humanitarian cooperation in Moscow. Such a conference could particularly significantly contribute to what is called the "humanization" of international relations. It would help to transform humanitarian relations into an instrument of mutual understanding and good-neighborliness, it would benefit many people. Nongovernmental organizations as well as individuals who approach the problem of humanitarian cooperation in the context of the Final Act and the international human rights' treaties could contribute their share to the work of this forum.

With regard to us, we are preparing further steps in this direction. We are paying attention to the development of individual contacts on the basis of family ties. We support the development of tourism. We are interested in visitors from abroad being able to form a realistic [realny] picture of our country on the basis of direct experience. We are gradually expanding the prerequisites for our citizens' being able to travel abroad as tourists. Our objective is an expanded exchange between institutes of higher education and scientific institutes. The same applies to the development of cooperation in the sphere of culture, the arts, and information. We are in favor of a substantial expansion of contacts between institutes and organizations. The Vienna meeting should make decisions which would eliminate obstacles which these contacts "on a collective basis" still encounter.

Just like a number of other delegations, we too are of the opinion that the Vienna final document must contain substantial well-balanced results in all spheres.

Europe looks to Vienna, expecting that the meeting of representatives of the 35 states participating in CSCE will end with the adoption of a decision this very year, that its final document will move the Europewide process forward within all aspects of the Helsinki Final Act.

Assesses Soviet-U.S. Arms Talks

LD311950 Bratislava Domestic Service in Slovak 1630 GMT 31 Jul 87

[Text] In answer to a question from Czechoslovak radio on how he evaluates the present course and future of the Vienna follow-up meeting, Foreign Minister Bohuslav Chnoupek replied.

[Begin recording] [Chnoupek] I think that if we compare this meeting with the Belgrade and Madrid meetings it is possible, in principle, despite all the complications and problems which exist here in Vienna, to evaluate it constructively, because we succeeded in covering the military, political, economic, and humanitarian aspects. It is true that we all wished that the Vienna follow-up meeting could end with this third round, but the questions and problems which came up prevented this, so that we are now expecting a fourth round which will begin in September, and in our proposal today we put forward the idea that this time should be made use of for very active, dynamic cooperation at the level of experts that the fourth round can begin with pencil in hand. This means starting work on a draft document -- so that we can make use of the time available and so that the two future forums [words indistinct] the conference, the forum on disarmament and on questions of confidence-building, could already meet by the beginning of the next year and begin to work actively on these questions.

Today in Vienna, the Austrian foreign minister, Mock, proposed that these two forums should take place, figuratively speaking under one roof here in Vienna.

We will see what reaction there will be to this, what support there will be. We said during bilateral talks that we will consider this question.

[Reporter] What is Czechoslovakia's attitude to the current Soviet-U.S. talks on nuclear and space weapons in Geneva?

[Chnoupek] We welcome the progress which has been achieved on this key question of the present, which could be a historic step, the first agreement on the removal of one category of nuclear weapons, specifically medium range missiles and operational and tactical missiles. It is true, we see good will on both sides and great steps on the part of the Soviet side, but on the other hand there are still problems which remain on the table. This is, above all, a question of the so called Pershing-1A missiles, 72 missiles, 72 warheads on the territory of the FRG. We also expressed ourselves on this today in our speech, that we in Czechoslovakia look on this question with great misgiving, and, of course, with understandable fears from the viewpoint of our security. This is why we say that if these missiles, as is being said to us, belong to the FRG, then it is a serious violation of an important document, the agreement on the nonproliferation of nuclear weapons. If they are U.S. warheads, then these warheads belong on the table of U.S.-Soviet talks. This question will have to be solved, because without it, it is difficult to imagine a solution, that such an agreement could be signed.

I think that realism and good sense, will win, because if this step is achieved, in our opinion it will generally improve the overall atmosphere in the world, it could cause a chain reaction in the disarmament processes. On the other hand, if this step is not achieved, this could worsen the atmosphere and in our opinion it could also halt the whole disarmament process for a long time. This is why we think that responsible governments and responsible officials will take a realistic approach to this question as we said in our speech. [end recording]

Views CSCE, Pershing Missiles

AU030957 Bratislava PRAVDA in Slovak 1 Aug 87 p 7

[CTK report: "Deeds Determine the Criterion of Truth; Bohuslav Chnoupek With Czechoslovak Journalists"]

[Text] After addressing the Vienna follow-up meeting, Minister Bohuslav Chnoupek met the Czechoslovak journalists accredited in Vienna who had asked him for the Czechoslovak view of the course taken by the Vienna meeting to date.

"Compared with Belgrade and Madrid, the Vienna follow-up meeting is more constructive, even though a lot of work still remains to be done. This is testified to by the more than 150 submitted proposals, which will make it necessary to look for common language."

The issue of West German Pershing-1A missiles with U.S. nuclear warheads is of particular significance for Czechoslovakia. In this context B. Chnoupek said: "It will not be easy for the United States and the FRG to keep these missiles together with the warheads -- because, first, should the FRG want to appropriate them, this would violate the important treaty on the nonproliferation of nuclear weapons; and, second, if the warheads are American, as in fact they are, they fall under the U.S.-Soviet negotiations on the elimination of nuclear arms. Although the West is striving to find a version that would justify keeping Pershing-1A missiles on FRG territory, such a version can scarcely be found for these arms." [paragraph continues]

"The Pershing-1A missile is the last obstacle in the way of an agreement and it would not be sensible to let it frustrate the historic opportunity to eliminate medium-range and operational-tactical missiles in Europe."

SFRY DELEGATE WELCOMES SWEDISH PROPOSAL AT CSCE

LD312241 Belgrade TANJUG in English 1733 GMT 31 Jul 87

["Pool" item]

[Text] Vienna, July 31 (TANJUG) -- All 35 delegations [word indistinct] to interrupt the CSCE Vienna session, which was to end work today, for the summer recess. The discussions on the final document text will continue from September 22 to November 20.

Judging from the speeches at today's plenary session, the evaluations of the eight months of work, discussions and a total of 150 submitted proposals formed a basis for creating a concluding document as would signify an advance toward enhancing security and cooperation in Europe.

A new proposal on continuing the Stockholm conference and opening negotiations on conventional disarmament in Europe was submitted at today's debate. The proposal was submitted by Sweden which considers that the continued talks on so-called measures of trust and conventional disarmament should be initiated by the CSCE meetings, as all-European meetings, and not just at bloc negotiations.

Yugoslav representative Ignac Golob welcomed the proposal and expressed the conviction that the Vienna session will make use of all possibilities with a view to contributing to strengthening comprehensive detente.

Assessing that certain progress [word indistinct] made far, Golob noted that in its further work, seeking consensus should be guided by such criteria as would correspond to the needs of the present international situation and the interests of all nations.

Golob also said that Yugoslavia, being an open country, this year recorded more than 110 million border crossings in both ways.

For this reason, it is hard to understand that Yugoslavs can travel more freely elsewhere than in certain parts of Europe, he noted. He pointed out compulsory exchange of currency, entry forms and health certificates and visas introduced on "a discriminatory basis, including those countries which urge freedom of moving".

The Yugoslav delegation head expressed the conviction that when the final document is adopted next autumn, distrust and suspicion will not prevail on the ideas of the need for "scientific and technological cooperation" and that national minorities will be treated in keeping with the Helsinki Charter principles.

LEADERS' PUBLIC APPEARANCES 26 JULY-1 AUGUST

AU011838 [Editorial Report] Tirana Domestic Service in Albanian and the Albanian Telegraphic Agency [ATA] in their transmissions from 26 July to 1 August report the following public appearances of Albanian leaders (time and date of broadcast in parentheses):

The funeral of war veteran Sami Baholli was held in Tirana on 28 July, attended by Besnik Bekteshi, Rita Marko, and Manush Myftiu, AWP Central Committee Politburo members, and Pirro Kondi, AWP Central Committee Politburo candidate member. (Tirana Domestic Service in Albanian 1800 GMT 28 July)

Ramiz Alia, AWP Central Committee first secretary, received the credentials of the new Bangladesh ambassador in Tirana on 30 July (Tirana ATA in English 0730 GMT 31 July); Alia also received the credentials of the new Burmese ambassador in Tirana on 30 July. (Tirana Domestic Service in Albanian 1800 GMT 30 July)

Muho Asllani, AWP Central Committee Politburo member, attended a national competition of tobacco pickers held at the Postribe cooperative, Shkoder District, on 1 August. (Tirana Domestic Service in Albanian 1800 GMT 1 August)

Pali Miska, AWP Central Committee Politburo member, attended a ceremony in Fier on 27 July to congratulate the district agricultural sector on its results in the wheat harvest. (Tirana ATA in English 0730 GMT 28 July)

ECONOMIC PROGRESS REPORT FOR 26 JULY-1 AUGUST

AU011840 [Editorial Report] Tirana Domestic Service in Albanian in its broadcasts between 26 July and 1 August carries the following economic performance reports (time and date of broadcast in parentheses):

In Elbasan District, the pig iron division of the "Steel of the Party" combine reported the fulfillment of its plan to date. (1800 GMT 31 July)

In Fier District, 55 out of 65 enterprises reported having met or surpassed their planned targets up to 20 July. (1800 GMT 26 July)

A Kukes District People's Council meeting considered the district's performance in the 6-month industrial production plan, which was exceeded by 3 percent. (1800 GMT 29 July)

Librazhd District exceeded its plan to 25 July by 4.5 million leks. (1800 GMT 30 July)

Pogradec District exceeded its 7-month plan by 4.5 percent. (1800 GMT 31 July)

Sarande District completed its 7-month plan early and anticipates producing 3.5 million leks worth of production above the plan. (1330 GMT 1 August)

Shkoder District exceeded its plan to 20 July by 13.5 million leks worth of production. (1800 GMT 26 July) The district also completed its 7-month plan on 25 July. (1800 GMT 30 July)

MOZAMBIQUE'S CHISSANO CONCLUDES OFFICIAL VISIT

Zhivkov Toasts Guest

AU031122 Sofia RABOTNICHESKO DELO in Bulgarian 31 Jul 87 pp 1, 8

[Toast proposed by Todor Zhivkov at official dinner given in Sofia on 31 July in honor of Mozambique President Joaquim Chissano]

[Text] Esteemed Comrade Chissano, dear friends from the People's Republic of Mozambique, comrades, it is a pleasure for me, on behalf of the BCP Central Committee, the State Council of the People's Republic of Bulgaria, and on my own behalf, once more to greet Comrade Joaquim Alberto Chissano, president of Frelimo [Mozambique Liberation Front] and president of the People's Republic of Mozambique, as our dear and most welcome guest.

We still vividly remember the warm hospitality accorded us by the working people of Mozambique in 1978.

I would like to assure you that the Bulgarian people in turn welcome you with the same feelings of affection and respect.

Your visit will undoubtedly contribute to consolidating the traditional relations of friendship and solidarity between the People's Republic of Bulgaria and the People's Republic of Mozambique. President Samora Machel, the glorious son of militant Africa, whose bright memory will always be cherished in our hearts, certainly deserved great credit as regards the development of our friendship.

Today, during the talks we held, we stated with satisfaction that relations between our two parties and states are steadily being consolidated.

I think that I express our common opinion in saying that, despite the successes achieved, we could accomplish even more in expanding our bilateral relations. The main question at the present stage of development is to rely upon those efficient forms of cooperation and trends that are in conformity with our real opportunities and our mutual interests.

We are perfectly aware that the enemies of free Mozambique are trying to divert your country from the chosen path of development.

Having attained their independence at the cost of thousands of precious lives lost in the struggle, your people continue to be the target of foreign aggression. Counterrevolution within the country, which is supported by imperialism, also causes great damage to your people. Our Bulgarian public resolutely denounces the outrageous acts committed by the counterrevolution, such as the act of terrorism in Homoine on 18 July 1987 which caused the death of hundreds of innocent people.

I take advantage of this opportunity once more to express our solidarity with the just struggle of the peoples of South Africa and Namibia, with the struggle of the peoples of Mozambique and of the other Frontline States for their national and social liberation, for the consolidation of their independence. The support accorded these countries by democratic forces throughout the world is an important guarantee for the success of this struggle.

Esteemed Comrade Chissano, dear comrades, the present-day international situation increases our responsibility as regards the preservation of peace and human life on our planet. Today more than ever it is necessary to join all efforts to find realistic and constructive methods of solving the most urgent problems.

The peaceful initiatives of the Soviet Union and of the other socialist countries to eliminate the nuclear threat are opening the path toward a world free of mass destruction weapons. I would like to stress in particular one of the humanitarian aspects of these initiatives: disarmament for the sake of development, to overcome the tremendous gap between advanced and developing countries. This will contribute to freeing a tremendous amount of material, human, and scientific resources which will be used for economic and social progress on a global scale.

The initiatives to transform the Balkan peninsula into a zone free of nuclear and chemical weapons play an important role in the foreign policy of the People's Republic of Bulgaria for the consolidation of peace and security, as well as of mutual confidence and cooperation in the Balkans.

We resolutely declared ourselves in favor of eliminating hotbeds of tension and in favor of a just and lasting settlement of regional conflicts and problems in a peaceful manner through negotiations.

The People's Republic of Bulgaria highly appreciates the role played by the Nonaligned Movement and the OAU in preserving peace and alleviating tension throughout the world and achieving international understanding. We are glad to note that the People's Republic of Mozambique actively contributes to the democratic and anti-imperialist activities of these organizations.

Dear comrades, we are now working for the fulfillment of the 13th BCP Congress decisions, to achieve a qualitatively new improvement in our economic sector and in other spheres of our social life. A plenum of our BCP Central Committee closed yesterday. We attach great importance to this plenum, which discussed and adopted a concept on the total restructuring of society in our country on the basis of the principles of socialist self-management.

In once more expressing our solidarity and support for the goals and tasks the fraternal people of Mozambique have set themselves, I propose the following toast:

-- To friendship and cooperation between the People's Republic of Bulgaria and the People's Republic of Mozambique!

-- To the happiness and prosperity of the heroic people of Mozambique!

-- To the triumph of peace, security, and social progress throughout the world!

-- To the health of Comrade Joaquim Chissano, our dear guest and friend!

-- To the health of our guests from friendly Mozambique!

-- To the health of all those present here!

Toasts Zhivkov

AU310955 Sofia BTA in English 0750 GMT 31 Jul 87

["Speeches of Todor Zhivkov and Joaquim Chissano" -- BTA headline]

[Excerpts] Sofia, July 31 (BTA) -- Mr. Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, reiterated Bulgaria's solidarity with the just struggle of the peoples of South Africa and Namibia, of Mozambique and the other Front-line States for national and social freedom and for the strengthening of their independence.

At an official dinner in honor of Mr Joaquim Chissano last night, the Bulgarian leader condemned the terrorist act of July 18 which left hundreds of innocent people dead. "We are very well aware of the fact that the enemies of free Mozambique are trying to force it to abandon the way in which it has chosen to develop," said Mr Zhivkov. [passage omitted]

Mr Joaquim Chissano said that Bulgaria is the first European socialist state which he had visited as a head of state. "The strengthening of our economic cooperation with the fraternal socialist states such as Bulgaria is continuing to be a decisive factor for the progress of our economy and social progress, said he.

Mr Chissano commended the contribution of the Bulgarian specialists to the development of the agriculture, industry and other sectors of his country's economy.

Further on he spoke about the difficulties which the people of Mozambique encounter as a result of aggression and natural calamaties.

Mr Chissano said that apartheid and colonialism in Namibia are the main obstacles to lasting peace in the southern part of Africa and to the socioeconomic progress of the countries of that region. Another obstacle, according to him, is South Africa's aid for the armed bandits who are attacking Mozambique and for the UNITA [National Union for the Total Independence of Angola] forces which are trying to destablize Angola.

Mozambique, he said, welcomes the efforts of the socialist states aimed at eliminating the threat of nuclear war and the latest decisions of the Political Consultative Committee of the Warsaw Treaty member states.

In conclusion he reiterated his government's willingness to broaden the cooperation with Bulgaria and expressed the view that his current visit will be an important stage in the development of the relations between the two countries.

Addresses Press

AU031831 Sofia BTA in English 1803 GMT 3 Aug 87

[Text] Varna, August 3 (BTA) -- Before leaving this country, Mr Joaquim Chissano met the press. Asked by a BTA reporter about his assessment of the results of this first visit he has paid to a European socialist country in his capacity as party leader and head of state of Mozambique, Mr Chissano answered:

"The main point of the visit was to reassert the friendship between the two countries and peoples, to express our desire to develop and strengthen this cooperation. It is on this sound foundation that fruitful ties have been promoted in the economic, social and above all the political field. The diversification of our friendship has also helped consolidate Mozambique's unity with the other socialist states. During our visit we ascertained that considerable opportunities are available for wider cooperation with Bulgaria, which would help Mozambique overcome a number of difficulties."

The chairman of the Frelimo [Mozambique Liberation Front] Party and president of Mozambique familiarized the reporters with the principal measures and targets contained in the economic rehabilitation program which is being implemented under the guidance of the Frelimo Party. Mozambique's foremost priority now is to overcome the economic slump, which began in 1981 as a result of the military destabilization inflicted by the Republic of South Africa through the use of armed gangs as well as of regular South African troops. It is they that destroy the country's economic infrastructure and that terrorize the population. Four and a half million refugees have been forced to leave their homes. The program is intended to boost production and to achieve an increased consumption, as well as to improve the country's solvency and, in the long run, to build a stable economy, transport and agriculture.

Discussing the situation in the South of Africa, the Mozambiquean leader reiterated the dismantling of the apartheid system as a principal way of achieving normalization. The South African people, led by the African National Congress, is the force that can exert the strongest influence in this respect.

Asked about the Soviet peace initiatives, Mr Joaquim Chissano stressed their immense importance for the consolidation of peace, understanding and international cooperation. He said Mozambique has always supported the policy of disarmament as well as all efforts to maintain world peace. He called Mr Mikhail Gorbachev's proposals well advised, flexible and bold. They are so clearly formulated and so positive that this time the U.S. should take the opportunity and give a positive response. We commend highly the measures taken by the Soviet Union and wish every success to these initiatives, Mr Joaquim Chissano emphasized in conclusion.

Departs 3 August

AU031808 Sofia Domestic Service in Bulgarian 1730 GMT 3 Aug 87

[Text] The official and friendly visit, which Joaquim Chissano, president of the Frelimo [Mozambique Liberation Front] Party and president of Mozambique, made in Bulgaria at the invitation of Comrade Todor Zhivkov, ended. Joaquim Chissano departed today.

At Varna airport he and those accompanying him, were seen off by hundreds of citizens of the city. Nikola Vaptsarov Higher People's Navy School cadets presented military honors.

Comrade Todor Zhivkov cordially bade the distinguished guest farewell. Comrades Grigor Stoichkov and Dimitur Stanishev, and leaders of the city and the okrug were also at the airport.

RABOTNICHESKO DELO CARRIES PLENUM SPEECHES, RESOLUTION

Zhivkov Speaks 28 July

AU020601 Sofia RABOTNICHESKO DELO in Bulgarian 29 Jul 87 pp 1, 2

["Bulgaria -- A Highly Developed and Civilized Socialist Country: Introductory Speech by Comrade Todor Zhivkov at the BCP Central Committee Plenum" on 28 July in Sofia -- passages between slantlines published in boldface]

[Text] Esteemed Comrades,

A document has been brought to the attention of the BCP Central Committee and its very title speaks of its concept and character.

The BCP Central Committee Politburo profoundly discussed this document and, noting the principled theoretical and practical importance of the issues and tasks posed by it, decided to submit it for discussion to the BCP Central Committee.

-- Some valuable considerations and proposals were voiced during the Politburo discussion. They were reflected in the document in an appropriate manner. /The document is the result of the collective brain in the real sense of this word./

-- It summarizes the results of the great work in preparing the 13th BCP Congress and afterward, in everything related to elaborating the new strategic course.

-- The BCP Central Committee December plenum and work related to forming the new set of management instruments and the new economic structures had an important role in preparing the document.

-- There is no doubt that the debates at the present plenum will also contribute to enriching our concept.

I am convinced that we all agree: The issues and tasks touched upon by the document have an exceptional importance for further constructing developed socialism in the People's Republic of Bulgaria and for our homeland's future and destiny.

Naturally, life itself and the practice of socialist construction will be the supreme judges of the correctness of the principles incorporated in the document.

-- /The model developed is an open system./ It does not exhaust the issues and tasks, even though many of them appear in detail in the documents on restructuring that have been or will be adopted.

-- The new elements, which will be produced by experience and Marxist-Leninist theoretical thought, will obviously impose some amendments and supplements, mostly in developing our concept. This will be a natural and necessary process.

Comrades,

The document reflects the reasons for developing basic principles of further construction of socialism in our country.

I shall stress their main points:

-- /To bring everything we do and everything we intend to do under a common denominator, to outline the concept and construct the model of the socialist society in the People's Republic of Bulgaria/ in the manner in which it will develop as a result of the restructuring.

The level of our development that we have reached, our successes, the new problems that have emerged, and the weaknesses we encounter indicate: /The present moment is a crucial turning point from every viewpoint./

If we were to paraphrase Levski's famous thought, we could say: "Either we shall live up to our time, or it will defeat us."

-- Now it is necessary not just to search for better solutions to separate issues, and not just to improve separate spheres of life, but to make a decisive turn and remove without any remnant everything that hinders us and holds us back.

-- /Our national goal is to construct Bulgaria within a visible period as a highly developed an civilized socialist state and to fully develop in our country the advantages and attractiveness of socialism./

-- This means to release the powerful socialist energy in millions of people, to reveal and multiply the wealth of our material and intellectual potential, and to ensure a qualitatively new standard of living for the people.

/The course with which we shall attain this goal is by new qualitative growth in all areas. This course elevates the party's Leninist April general line to a new stage./

In this course and through it we put into effect both:

-- the dialectical continuity of all eternal values of the party and socialism manifested in our past;

-- the ability to conduct a constant renewal, which is organically characteristic of our society.

We have been following this course for more than a year. We began with a profound restructuring of the social system and the manner of its functioning and development, and with a profound restructuring of social management and its set of instruments. The restructuring will continue in the future.

We have no other choice.

-- All countries in the world, socialist and capitalist alike, are searching for new ways concerning economics and the scientific-technical area.

-- We are also searching for new ways, taking into consideration the new realities and the other socialist countries' experience and views.

We are united with the CPSU in understanding the necessity of profoundly restructuring at the present crucial stage. The ideas developed by the 27th CPSU Congress and the CPSU Central Committee January and June plenums are giving us a new impetus to implement restructuring in our country.

/As far as the evaluation of the period since the victory of the 9 September Revolution is concerned, there can be no doubt: Bulgaria made a decisive leap in economics, the social sphere, and intellectual life. All the generations of the constructors of new life contributed to this./

We repeatedly answered the question of how a small country such as ours traveled such an ascending road of development within such a short historic period.

-- We succeeded because we have such a tested Marxist-Leninist vanguard as the party of Dimitur Blagoev and Georgi Dimitrov.

-- Because we have wonderful people and cadres in all areas of life, who are loyal and devoted to the cause of socialism.

-- Because modern Bulgaria is an integral part of the socialist community and the world of socialism and has such a great friend as the USSR, born 7 decades ago in the flame of the October Revolution.

We are proud of our socialist homeland's achievements, its people, the BCP, and our belonging to the world of socialism.

/These are the factors that brought Bulgaria to its present height./

/These are also decisive factors for the success of our cause along the road of profound and comprehensive restructuring, carried out so that the great justice [golyamata pravda] of our life can become even more beautiful, powerful, and vital./

We simultaneously realize that the great justice does not relieve us of the obligation to answer the question of why there is an "individual justice" [malka pravda] and why this individual justice proved to be so sturdy.

-- While reviewing the /key issues/ of our socioeconomic development we face /many logical questions./

-- Why, despite the historic leap which we made during the past period, do we still face some problems, whose solution was required and facilitated by the very nature of the socialist system?

-- Why, despite the obvious advantages of socialism, can we still not wrench ourselves from the trap of extensive factors?

-- Why, despite the great care we invest in developing our scientific potential, has science still not turned into a really productive force?

-- Why, in the society which is the most humane and just system, are there negative phenomena and deformations that violate the vital interests of the working people?

-- Why, despite the fact that we solved the fundamental problems of man and created a solid material-production basis, do we experience a shortage of many services and consumer goods?

-- Why did some leading cadres become bureaucrats and why do they not respect the laws, placing themselves above them?

-- Why are there deviations in implementing the leading role of the party?

-- Why do the production and scientific-technical integration of the CEMA member countries not keep up with the objective needs?

I would like to add to all this: Why, regardless of our basic rejection of the personality cult and regardless of the struggle we waged against it during the April 1956 plenum and in the period following it, do we still come across certain manifestations of recidivism in this respect?

We can ask numerous similar questions.

It is well-known that other socialist countries are searching for answers to similar questions, since we are all developing under the circumstances of new realities on a domestic and international scale.

We, Bulgarian Communists, have always been striving for a frank and self-critical approach to such questions, both at our congresses and national conferences, as well as at meetings of our Politburo and Central Committee Secretariat. We not only dealt with these questions but also adopted practical measures for their solution.

-- Nevertheless, important questions in this respect remain open. Our own experience shows that /we have not always found a general answer to them./

Why is this so?

It is because our attention in numerous cases was focused on the phenomena in question, rather than on revealing /their causes to a sufficient extent./

In recent years, and at the 13th congress and following it in particular, we greatly improved our approach not only by analyzing the /effects/ but also by searching for their /causes/.

-- We ascertained that without revealing the causes, no organizational measures, no propaganda actions, and no declarations are capable of eliminating negative effects.

-- Generally speaking, we must reach the core of things.

/This is how we will touch upon/ the topical problems of our development.

The document we are discussing is an attempt to answer the most important problems precisely. Naturally, this answer applies to our own country and the further construction of socialism in Bulgaria.

What are the /basic strongholds of our concept, strongholds without which we cannot further advance?/

First: These Are The Objective Laws Of Socialism [subhead]

Without detailing the history of the question, I would like to recall that /numerous law-governed principles/ were denied in the past, such as the principle of value and the commodity-monetary relations connected with it. The contradictions existing under socialism were not considered in a correct light.

As a result of this, things began to stagnate in our country. Nevertheless, a /breakthrough took place as well:/

-- As early as the sixties, in connection with the new planning system and the new economic leadership system, a transition took place toward a fuller consideration and better application of the requirements of the /law on value and as regards other objective laws./ Nevertheless, owing to numerous, well-known reasons, we were not able to consistantly promote our intentions at that time.

-- In recent years, however, we devoted exceptional attention to /a series of law-governed principles./

-- This applies in particular to the law stemming from the qualitative change in developing productive forces in the world, under the influence of the contemporary scientific-technical revolution. We are drawing our own conclusions from this law:

-- In the first place we gave priority to the law on the increasing role of the people as creators of history.

-- The breakthrough I mentioned applies to the understanding of the character and the solution of /contradictions/ under the conditions of our development.

-- What is the /chief/ and /new/ element of our postulate on social laws contained in the document?

I would like to mention /two of the aspects./

One aspect is that these laws act objectively and no one can eliminate them.

-- They must be /analyzed in the basis of the science of Marxism-Leninism/, as a method and as an ideology. This implies, above all, the role of /social sciences./

/The other aspect/ is the fact that we are dealing with objective laws as the chief factor, as the core of the development of our society and of all processes stemming from them.

As early as the period of first expressing our new strategic line, we stressed the following: qualitatively new growth -- this means a development, an implementation of the laws as laws.

-- This is why it is neither possible nor correct to regulate social processes and to settle the questions of /planning leadership, price formation, labor evaluation, and wages, as well as management/ and all questions of the economic mechanism as a whole, unless we base ourselves on the aforementioned principle.

-- This does not apply to economic processes alone, but to all other processes in our society.

-- Experience also teaches us that we cannot count on lasting and substantial successes if we only partially assess the requirements of objective laws. Therefore, we are guided by the rule that if we begin something, we must pursue our cause to the very end.

-- There is even more: correct knowledge about and the application of objective laws is impossible without a theoretical and practical revelation of /contradictions/ involving the action of these laws.

In summing up my statement, I will stress that the principle about objective laws is a truth acquired by experience and from which we must now draw all existing conclusions; if we do not, we are doomed to subjectivism and blind empiricism, which will condemn all our intentions to stagnation.

Second: About Socialist Property [subhead]

To this problem of socialist property we devote our main attention because property represents the nucleus of socialist production relations and, hence, the nucleus of the total system of social relations. The questions of government, administration, democracy, ideology, and humanitarianism are connected with it.

-- Life's experiences unequivocally demonstrated the inadequacy of a series of postulates from the past.

-- Thus, for example, the principle according to which cooperative property was supposed to develop into state property and, hence, into communist property, while every higher degree of property fully rejects the previous one, did not endure the test of time.

-- Regardless of our search and efforts to get rid of such cliches, we had to pay for these kinds of concepts.

-- As numerous leading scholars in the socialist countries have pointed out, dogmatism in socialist property caused great damage to science itself, and it is fully understandable why the questions of property are the weakest link in the theory about socialist construction today.

Our party duly appreciated the great importance of this problem. As early as at the 12th BCP Congress we started with a basic explanation of various aspects of the problem in question.

Our understanding about socialist property, which is laid down in the document, implies that this question should be dynamically analyzed from the view of the contents and forms of socialist property.

-- This, actually, is a dialectical law of the existence of socialist property.

-- This is an attitude that considers the real processes and phenomena in the development of productive forces in socialist society.

-- Under the conditions in our country, all forms of socialist property must be widely developed. This applies to the nation as a whole, as well as to cooperative, municipal, and mixed [smesena] property and so forth.

Any attempt to unify the forms of property and skip certain development stages deforms the economic and social spheres, as well as people's relations and behavior.

As we see from the document in question, property cannot be anonymous; it must belong to someone; it is most directly linked to the working people.

An important, revolutionary action is to place socialist property under the management of the workers collectives, as we did through a National Assembly declaration.

-- On this basis we will expand a new attitude of the people to socialist property, making them participate in the development and multiplication of this property.

I have already stated on several occasions that for us, socialist property is sacred and inviolable. It will also continue to develop on the basis of the planning principle to the benefit of the people and of all society.

Our new understanding as regards the problems of property reveals tremendous opportunities for a qualitative improvement of both the basis and superstructure of all social relations.

Third. This Is Man as the Decisive Force of Restructuring and Our Development in General [subhead]

We have always stressed that everything we do is for man and in man's name. This is correct because such is the core of our ideal of socialism and communism.

However, it is also correct that complex and contradictory processes are taking place in our life that actively influence man.

-- On one hand, conditions are being created for developing the human being and better implementing his essential forces, as Marx used to say.

-- On the other hand, the possibilities in this respect of many structural relations, customs, and so forth, used until now, have been exhausted.

Consequently, we now need a new view of man that:

-- elevates to a new principled level the practical implementation of the postulate on /man as a sum total of all human relations;/

-- aims at a single goal: to develop man as a /worker, creator, and consumer;/

-- turns to a higher degree man and his specific /needs/ and /interests/ into the /end in itself/ of our social development.

-- Our achievements hitherto confirm that the very essence of socialism as a social system contains great potential in regard to raising and educating the human being and satisfying his diverse needs. Now we must implement a crucial turning point in this area as well.

We place before ourselves a new historical task with the model we put into effect, namely, that in the next few years socialism on Bulgarian territory fully reveals its advantages and attractiveness in everything related to the /manner in which it solves the problems of man and ensures the growth of man, as well as the development of his material, social, and intellectual life and the forming of his internal need for creativity./

Fourth. About the Interests of People. [subhead]

Our concept would not only be incomplete and onesided but also be fully incorrect if it does not consider interests as the moving force of social development.

-- Throughout mankind's entire history interests have been a force. They are also a force under the conditions of socialism.

-- Both the objective social laws and property can be a source of development and a motor of progress when they turn into the interest of the people.

This objective law also governs our society, something that requires interests be considered while solving all issues, both big and small. Everything we do outside interests will be lifeless and will lead to a dead end.

-- It is necessary to overcome the illusions that we can implement our development without considering interests.

-- The fact that the role of consciousness -- both individual and social -- increases under the conditions of the socialist society not only does not contradict the interests of the people but also requires that the interests of the people be considered.

/We consider all this. Through the postulates, worked out in our concept, we aim at giving a broad scope to the interests of the people and at correctly channelling them./

-- /We aim at ensuring the progress both of society as a whole, and of the collectives and individuals./

-- Therefore, our concept devotes special attention to successfully combining the nationwide, collective, and individual interests.

-- We simultaneously pose to ourselves the task of developing the entire range of interests -- economic, political, ideological, and cultural alike. Thus, we can attain the main goal: to implement the comprehensive development of the human personality.

When we speak about interests we do not mean the interests created by the old bureaucratic systems to the detriment of the people.

-- We mean interests that represent an expression of sensible needs and are regulated through economic methods according to the socialist principle of payment and justice.

In other words, the issue of interests is a central one, or even the issue of issues.

Fifth. About Self-Management. [subhead]

Every issue of restructuring, taken separately, is important.

-- However, what we need now is their /synthesis and integration and integration and synthesis./

It is in self-management where the basic issues of our development come together.

-- Man is undoubtedly the basic figure in this area; he is both the owner and manager.

Self-management is the channel through which the entire process of restructuring must take place along its two main directions:

-- the labor collectives in all areas in which material and intellectual values are being created;

-- the territorial communities, and first of all the municipalities.

/Why do we now stress self-management and see it as the decisive factor of introducing more democracy in the process of governing, developing the energy of the millions of people, liquidating the deviations and deformations in society, and so forth?/

-- As you know, we used to speak about self-management in the past but we did not present it as an immediate task within the scope of the entire society.

Today we have in mind /a new kind of self-management./ We mean:

-- self-management being formed and developed on the basis of the present objective laws of our society;

-- self-management based on uniform and indivisible socialist property;

-- self-management under the conditions of the new historical realities and, first of all, under the conditions of the scientific-technical revolution;

-- self-management in which the establishment of self-managing communities and organizations taking place voluntarily both in the material and intellectual spheres and in the territorial units;

-- self-management as a manner of governing in which leading cadres and organs at all levels -- from top to bottom -- are elected.

Self-management means a cardinal change in our entire society's mechanisms and functioning.

-- Through these mechanisms we achieve a better coordination of the production forces and production relations and create appropriate conditions for revolutionizing the superstructure from the base and vice versa.

The logical question is: Do we violate /democratic centralism?/

Not at all!

-- Until now this principle was violated by the excessive centralism in many spheres and activities of our society that came about because of the penchant for using the administrative and bureaucratic schemes of management.

-- Self-management not only does not contradict democratic centralism but it also reveals better possibilities for its consistent application and further enrichment.

-- This will be ensured through the new hierarchy of the organs of self-management; through the new rules of economic management; through the new manner of creating, adopting, and applying the laws, and so forth. Let us review the issue of /the state./

The hitherto dominating postulate did not reject the possibility and the necessity of developing some forms and elements of self-management under the conditions of the socialist state organization. However, it was accepted that the transition to socialism into communism.

-- This postulate was the logical consequence of the thesis that the transition from governing in the name of the people to governing by the people would take place during the same stage of developing the new society.

-- Our experience and the experience of others showed that this postulate is bankrupt.

This incorrect premise allowed the traditional division of governing to turn objects and subjects into a fetish, in which the state is the object and the people the subject of governing. As a result of this, there emerged the phenomena of drawing apart and alienation between some organs of government and people and isolation of the bureaucratic stratum, a fact mentioned in the document we will discuss.

-- It is social property that requires that people be both objects and subjects of governing, that is, requires the introduction of self-management.

-- Subsequently, self-management is not an external attribute or an appendix of states governing, but its essence.

-- This is the essence of our view of drawing together and merging some aspects of the state and social principles.

/Thus, the new principle is as follows: to place the state government and its structure and functions on the basis of the principles of self-management./

-- This is so because the state will be a necessary organization for a long time to come. The core of the matter is to develop it and its functions as a self-managing socialist form and manner of executing government.

/The main problem of self-management in the economy is to elevate the role of commodity goods producers, create conditions for the action of the economic laws, and relinquish many of our stereotypes./

-- Now we are transferring the stress from predominantly administrative to predominantly economic methods of management.

Planning will remain the main instrument of the socialist state's economic management under the new conditions.

-- The state plan determines the basic proportions and indexes of developing the country and the production sectors.

However, we will apply a new approach to implementing these proportions and indexes in the plans of the self-managing organizations. This will take place through a dialogue between equal partners with equal responsibilities and by considering both the interests of the state and the self-managing organizations.

Self-management also introduces radical changes:

-- in the financial system;

-- in banking;

-- in the organization of labor and wages;

-- in prices and price formation, and so forth.

/Self-management creates a new type of democracy./

It emerges in all spheres of human activity:

-- in the self-managing organizations and territorial communities;

-- in the material and intellectual spheres;

-- in the primary labor collectives and in the higher echelons of self-management.

It encompasses not only the economic aspects of self-management but also the social, political, and other aspects of the communities' activities.

/Let me add something about self-management./

-- It is the starting point of restructuring all social structures of socialism.

-- It reveals possibilities for the socialist society to construct adequate mechanisms for its goals and, in accordance with this, to form structures of a new type.

/It is necessary to learn self-management, both as a theory and practice./ Otherwise, all advantages of self-management and its entire creative force will remain an unfulfilled possibility.

Now we must create a new economic and political culture in the people.

-- This is so because many new problems will emerge and there will be clashes of ideas, opinions, positions, preferences, and so forth.

-- This is so because we cannot allow an imitation of self-management.

/Self-management poses new qualitative requirements for the cadres' work./

Our cadre policy is a policy of trust and support, of combining various generations and rallying them around the party's general line, and of boldly promoting youth in all echelons, from top to bottom.

-- Now our cadres face an original final examination -- to master the art of leading under the conditions of self-management and the new qualitative growth.

-- They must think and work as people who enjoy the trust of the labor collectives and the population in the municipalities.

-- The cadres must undergo restructuring on such a basis and unite themselves. This will also represent a natural process of forming the new style of work and leadership.

-- We must comprehensively help all those who are struggling to assert the new principles.

Last but not least, we must require more discipline and self-discipline from the cadres.

Sixth. About the Public Organizations and the Other Forms of Human Expression. [subhead]

The public organizations -- the trade unions, Komsomol, Fatherland Front, and so forth -- must restructure themselves under the conditions of self-management.

-- The public organizations, both in their functions and structure, must become important factors in the system of self-management and its mechanisms. As integral components of this system, their task is to make their significant contribution to its more effective functioning and development.

The self-managing communities must increasingly assert themselves as organizations that solve the economic, social, and intellectual problems of the people and of the personality in /a combined manner./

-- Under the new situation no public organization must remain "outside" and administer planned activities in the self-managing community in everything relating to issues of the public organization's competence.

/The new element of self-managing concerns creating conditions of diversifying the forms of man's public and creative expression./

-- Obviously, in this area the role of public organizations is an important one.

-- Simultaneously, we must now develop also other independent forms of expression -- associations, clubs, forums, movements, and so forth.

-- They can emerge both within the framework of the public organizations and outside them.

-- The important thing is that their work proceeds in the spirit of our communist ideals, principles, and ethics.

It is obvious that we are considering new possibilities that spring from the very essence of self-management. This should by no means lessen the role of the public organizations. On the contrary, their activity, as well as the activity of the new independent forms, must be full of content, rich, and comprehensive.

Seventh. About the Party. [subhead]

We cannot activate and implement what we have conceived without restructuring the party.

It is hardly necessary to remind you what the Communist Party meant for the working people and for us, Communists, who have associated the essence of our life with the party's ideals and struggle.

-- The Communist Party is the Marxist-Leninist political vanguard and the leading and guiding force which determines society's general course, and inspires and organizes the people to construct socialism and communism.

Also here, at this Central Committee Plenum, I would like to stress once again: Relieving the party of its extrinsic functions will further increase its leading role and make it more active.

-- The party is a living organism and nobody will forgive us if we allow it to lag behind the needs of life.

Now, under the conditions of self-management, the task of increasing the party's organizational, ideological, and political level acquires a special importance; its relations with the masses must strengthen; its comprehensive influence on society must increase if a new political and ideological climate is to be created.

-- This means to enhance /the political principle/ of our work for asserting in life the principles of self-management.

-- We must also work in the future shoulder to shoulder with our comrades from the Bulgarian Agrarian National Union.

Eighth. For Higher Culture, and More Humanity and Morals in Our Life. [subhead]

In this area we are talking about an /order/ incorporated in our ideals of socialism and communism. All generations of Bulgarian Communists have struggled for a higher culture, more humanity, and morals. This is a question of our socialist lifestyle.

It is not necessary to prove here that what is needed is not general wishes but comprehensive measures:

-- for increasing everywhere the cultural level of living, as well as morals and humanity in relations among people, and for strengthening their sense of responsiblity to the people, the labor collective, and the family;

-- for asserting high culture, morals, and humanity in material and intellectual production, in everyday life, and the behavior of individual people.

-- for irreconcilability toward violations of and deviations from the public and legal order;

-- in other words, for everything which we justifiably call the socialist way of life.

By defining our national goal as turning Bulgaria into a highly developed and civilized socialist country we mean that along with everything else we must ensure all preconditions and help every individual man to grow as a comprehensively developed and civilized citizen.

We cannot raise the quality of life without raising culture, humanity, and morals in everything and everywhere.

We also understand that in this area the role of social sciences, arts, and the mass media is not only great but also unique. This is also their role in generally reflecting the problems of restructuring.

This is what I would like to share with you in a comradely manner:

-- Until now in many cases we used to act according to ready stereotypes: If something has been said by the Central Committee or the general secretary, it used to be literally repeated without attempting to specifically analyze and creatively apply it.

-- Simultaneously, we must not fall into another extreme: We must not demonstrate pessimism, absolutely stress the negative phenomena, and distort the picture of our society. This is not our communist position.

We adhere to glasnost. However, public glasnost cannot be the subjective mirror of the criteria of those not in the right track in the dialectics of life's great justice and "small justice." We must not imitate extremes mechanically imported from other countries in which work is currently conducted under other specific conditions.

-- We do not need a false idealization of things: We simply must be loyal to the objective truth.

This means to reflect reality with all its historical achievements, problems and, of course, difficulties. It is necessary to see things in motion, in a process, and consider the stages and difficulties in developing society; our society.

Comrades,

Implementing our plans will be a complicated and genuinely difficult process.

This springs both from the scope of the tasks and the fact that restructuring will be conducted by living people.

-- We will have difficulties because we are making an historical turn.

-- The difficulties will emerge not only because of misunderstanding but also because in many places the labor collectives still are unable to begin the new stage.

In addition we must consider that the process of restructuring will take place simultaneously with the struggle to implement the plan for this year and the current 5-year plan period.

-- If we do not mobilize ourselves to implement the tasks marked by the national plan in economic and other areas, we shall pay a very high price for restructuring. Moreover, we would discredit restructuring both as an idea and as the practical implementation of this idea.

During the debate in the Politburo many comrades proposed to discuss the basic principles of the concept of the further development of socialism in Bulgaria at a national party conference.

-- I propose that the plenum adopt a decision on this proposal.

-- If the proposal is adopted then it is purposeful to hold the conference at the beginning of December 1987. The Politburo will prepare draft-theses to be adopted by a BCP Central Committee plenum on the eve of the conference.

Of course, the restructuring process must not be held or delayed until the conference.

There are issues of an economic nature that cannot wait.

-- The basic premises and principles in this area have been sufficiently clarified and the questions are to be solved without delay.

/We must work out a chart of the stages of implementing/ the other issues of our concept.

-- Every attempt to hurry in areas in which things have not yet crystallized and where appropriate conditions do not exist can devaluate our great goal.

The role and tasks of the party, the Central Committee, the party organizations, and every Communist are complicated and responsible.

-- /Complicated/ because the party itself must undergo restructuring and give an example to the other sectors of our society in their own restructuring.

-- /Responsible/ because the party is the political vanguard of restructuring in all of society and because the fate of restructuring depends to a large degree on the party's leading and guiding role.

The cause we undertake is a revolutionary one. Today this cause is our field of work and construction, creativity and romanticism, as well as a field for the comprehensive expression of the willpower, force, and energy of the Communists and our loyal allies -- the united agrarians, the members of the Fatherland Front and the Komsomol, and all Bulgarian patriots.

Today there is no nobler manner of serving the people, the homeland's progress, and the cause of socialism and communism.

Atanasov Delivers Address

AU030701 Sofia RABOTNICHESKO DELO in Bulgarian 30 Jul 87 p 2

[Report on speech by Georgi Atanasov, BCP Central Committee Politburo member and chairman of the Council of Ministers, at the BCP Central Committee plenum held on 28 and 29 July 1987 at the Boyana residence in Sofia]

[Text] In his statement, Georgi Atanasov pointed out that the chief characteristic of the "Basic Principles of the Concept of the Development of Socialism in Bulgaria" and of Comrade Todor Zhivkov's introductory speech is a revolutionary-transforming essence and strength.

Both as a party and as a people we consistently and unrelentingly proceeded toward the postulates and visions laid down on the concept that has been developed. These postulates and visions embody a long-standing search for the perfection of economic relations and of our country's economic system as a whole; they reflect the experience, achievements, and hardships of the struggle for improving the political organizations of our society. These postulates and visions also express in a concise manner the theoretical achievements of our party in recent years, which applies in particular to the period following the 13th BCP Congress.

We have adopted the strategy of achieving new economic growth and are introducing changes in all basic spheres of our social life, especially in the economic sector. We have adopted leading theoretical, political, and organizational-practical developments. This is so because the BCP, at every stage of its development, at every encounter with a new reality, and in facing every challenge of time, is advancing with new visions and a new approach.

Nevertheless, even considering this great creative activity, which is characteristic for the post-April period of development in our country, the document subjected to our discussion today is unusual from the theoretical and political viewpoints and from the economic, ideological, international, and even diplomatic aspects. The fact that this document was thoroughly analyzed at five consecutive Politburo meetings eloquently demonstrates the exceptional importance of the model we prepared. The discussion, which proceeded in an atmosphere of creative thought and in a democratic spirit, distinguished itself by the prevailing understanding that we were discussing a concept of programmatic significance for the further development of socialism in our country.

The chief element in the Politburo's assessment of the aforementioned subject is that for the first time we have a comprehensive vision of the restructuring of society under which the innovative processes of different social spheres are being revealed in their mutual dependence upon each other, Comrade Georgi Atanasov said. The "Basic Principles" contain basically new postulates that will produce revolutionary results for our further development. New solutions were found for crucial problems connected with social progress at the present stage of our development. This applies to socialist self-management and to its manifestation in all sectors of life; to the role and place of the party under the new social conditions; to the newly created chain of command in administration; and to the reconstruction of power, to the restructuring of the state and territorial organs, and so forth.

During the period following the April 1956 plenum in our country, an economic and political system was established that functions in the people's name.

We, as a party and as a people, have nothing to be ashamed of. We are proud of our past development. However, an analysis of our contemporary economic and social realities, which is contained in the "Basic Principles," shows that the possibilities of numerous factors pertaining to past progressive development of our country have already been exhausted.

Comrade Georgi Atanasov dealt with one particular question posed at the Politburo meetings about the role of the BCP Central Committee secretary general.

The "Basic Postulates" explicitly state that every party initiative is a result of its collective mind and the life experience of millions of people. However, as was stated at the Politburo meetings, we will not be telling the whole truth if we ignore the fact that all these achievements are chiefly due to Comrade Todor Zhivkov's initiative and efforts, Georgi Atanasov said.

The "Basic Postulates" are revealing to us Comrade Zhivkov's unusual skill in facing the immediate future with youthful daring, to criticize everything outdated with manly courage and political competence, regardless of the those involved, who may have expressed such views in speaking, or in writing.

Is it not a unique phenomenon, this simple fact, the speaker continued, that our first party and state leader, who is connected with a period of upsurge in our historic development, has uncompromisingly broken with the past and is submitting the problem of the drastic innovation of socialist society in our country with such party, civil, and ethical courage, and with such emphasis?

With Leninist discipline the new concept points at all actions and approaches that distorted the correct position of the party as a political vanguard and leader of the workers' class and of our people.

It is by no means difficult to imagine how easy it would have been to transform the absolute power of the party apparatus into an absolute power of the personality. Fortunately, our party and our people are headed by a man who, owing to his nature, his political education, and his cultural background, is a true democrat, a democrat in the full, Marxist-Leninist sense of this term, Georgi Atanasov said.

The challenge of our days once more demonstrates how important it is to preserve this style inspired by a true democratic spirit; this work style that guarantees leadership without bureaucratic methods and guidance without issuing orders.

Comrade Georgi Atanasov pointed out another factor: Other socialist countries are now involved in restructuring as well. Bold, revolutionary changes are taking place under the leadership of Lenin's party in the Soviet Union.

Now that we possess a Bulgarian model for building a mature socialist society, we can and must say: The April line of the BCP embodies our people's present and future, Georgi Atanasov said.

The speaker further noted that the method of integration and synthesis of objective laws and logical results of socialist development is integrated in the aforementioned new concept, which permits us to reveal and to focus our attention upon the crucial issue: the self-management issue. The further expansion of self-management guarantees the social and political basis for implementing restructuring in economic relations.

The chief goal in this respect is to attain a basically new interaction of different interests and create a new structure of economic interests, in which labor and creative spirit must be organically linked with the individual's material and social well-being.

We must transform self-management into the chief factor for implementing the necessary technological reequipment of our social production, Comrade Georgi Atanasov said.

We will implement structural changes in our political system as well as on the basis of the self-management principles. We will create a "government through the people" and will transform millions of people into the subject of administration for a thorough restructuring of power, transforming the government from power in the name of the people into power of the people themselves.

The self-management system, which we are striving and working for, will be a socialist self-management system, today and in the future, based on the principles of democratic centralism. It will be the embodiment and implementation of our class-party ideal. The logical increase of the leading and unifying role played by the party and developing of its new image as described in the "Basic Principles" is an essential part of this process, Comrade Georgi Atanasov said. He said he fully subscribes to the postulates about the activities of the party under the conditions of the self-management system and under the circumstances of the further democratization of power and administration in our country.

The party finds new sources of influence and strength in the self-management system, which is an expression of the people's power. As a result of the expansion of this system, the process of the party's transformation from a party of the workers' class into a party of the entire people will be accelerated.

In stressing that the profound change in the structure, functions, and work of the state organs is the crucial issue of restructuring, Comrade Georgi Atanasov declared that he fully supports the proposed changes regarding the statute and functions of state organs at the highest level and the territorial units. He described this as an objectively necessary postulate based on scientific arguments.

The evaluation contained in the aforementioned document, submitted to discussion regarding the existence of an organic link between self-management and the state at the present stage of development, is totally innovative. The party, in the past and even still today, thanks to its authority and organizational strength, is in charge of the majority of tasks supposedly within the competence of the state organs. Both at the center and on a local scale we all began to feel comfortable in the "shadow" of party work and party organs, Comrade Atanasov said. All this produced a distortion in implementing the operational duties of numerous state and economic cadres and negatively affected entire organs and departments. The chief, negative result of this bureaucratization was the full, or almost total, loss of organizational strength, the lack of strong and durable links with the people, and their needs, aspirations, and everyday lives. It also produced a certain routine of getting used to the existing shortcomings.

The new vision on the state apparatus is based on the extraordinarily fruitful idea about the necessity to integrate the state organs, especially those directly involved in economic leadership. Coordinating the state organs' activities with their actual tasks will enable us to construct a truly new state government staff dealing with the compilation of the plan and with its fulfillment on the basis of a thorough economic analysis, by applying economic methods, levers, and means.

The interaction and communication among state organs and self-managing organizations are now becoming questions of principle for us. The economic-organizing role of the state is not to exert pressure on the commodity producers but to create the best conditions for their work and to evoke their interest, as well as to develop incentives for them, by simultaneously establishing limits for economic activities, the Chairman of the Council of Ministers said.

We must completely free the enterprises of unnecessary supervision, as well as unnecessary regulation and instructions.

This, however, does not imply less responsibility and less work for the state organs.

Following this statement, the speaker dwelled on the gradual character of restructuring of socialist society in our country -- a question of basic significance for guaranteeing the success of restructuring. It is particularly important to promptly create new administrative-territorial units and to ensure restructuring at the highest level of government, as well as to develop and activate the state power as a system of institutions of socialist self-management, Comrade Georgi Atanasov said.

The innovative processes, which have started and whose first positive results have been produced, are accompanied by difficulties. This is quite natural, since we are dealing with a comprehensive process, regarding its scope. The main thing today is to enhance the role of the commodity producers, their initiative and sense of responsibility. Consolidating self-management -- this is the path indicated today. It is necessary to activate the economic factors, levers, and responsibilities, so that we may base ourselves on the law of natural production, so that we may boldly enhance and consolidate the role of small enterprises, of cooperatives, and of the organization based on brigades, as well as the role of the piece-work payment system in the agricultural sector.

Comrade Georgi Atanasov closed his speech with the following statement:

We are proceeding toward important changes and all organs and cadres are required to manifest competence, strict discipline, and a sense of responsibility based on the drastic changes in social processes.

I would like to once again express my conviction that we will actively implement the party concept in the further development of socialism in the People's Republic of Bulgaria. The constructive force of socialism and the creative potential of our wise people are the guarantees for this important change.

Delegates Pass Resolution

AU311519 Sofia RABOTNICHESKO DELO in Bulgarian 30 Jul 87 p 1

[BTA report: "Decision of the BCP Central Committee Plenum Held on 28 and 29 July 1987"]

[Text] 1. Following extensive debates, the BCP Central Committee unanimously approved the "Basic Principles of the Concept of the Development of Socialism in Bulgaria" submitted by Todor Zhivkov, general secretary of the BCP Central Committee, and his introductory speech.

The plenum adopted the aforementioned document as a basis for the party accomplishing a historic transition in the development of socialism and for achieving a qualitatively new level in the social system in our country.

2. On the basis of Article 37 of the BCP Statute, a BCP National Conference is to be convened in December 1987 to discuss the theses on the further development of socialism in the People's Republic of Bulgaria.

Todor Zhivkov, secretary general of the BCP Central Committee, is appointed speaker at this conference.

The BCP Central Committee plenum determines the following representation norms:

- one delegate to be elected per every 300 party members;

- accountability-election meetings and conferences of the BCP are to be held from 1 September to 30 November 1987. During the preparations for the BCP National Conference and during its actual proceedings the efforts of the Communists and working people should be further mobilized in implementing the decisions of the 13th BCP Congress.

MEDICAL ACADEMY PRESIDENT TO HEAD AIDS PROJECT TEAM

AU041721 Sofia BTA in English 1617 GMT 4 Aug 87

[Text] Sofia, August 4 (BTA) -- A project team on combating AIDS has been set up with the Medical Academy in Sofia. It will engage in scientific research and development work in this field. The Supra-Departmental Commission with the Social Council working on the same problem engages above all in organizing measures for combating AIDS carried out in the health care network and with the public education campaign.

The leader of the project team Acad Atanass Maleev, president of the Medical Academy, announced the tasks which the team has set itself and its scientific aims.

He said that all county blood transfusion centers in Bulgaria have already been provided with the necessary equipment and diagnostication tests. The necessary personnel has also been trained. Now all donors are tested for AIDS. Dry blood plasma is also tested. Thus one of the ways of spreading the disease is cut off.

Equipment and diagnostication tests have been purchased by means of the funds allocated by the state, which will make it possible to test 650,000 people next year. The Hematology Institute and the Central AIDS Laboratory with the Virology Department of the Institute of Parasitic and Infectious Diseases have one of the most up-to-date methods and equipment delivered by the U.S. "Abo" Firm. At present this method and equipment are the most reliable and efficient. It uses second generation diagnostication tests developed on the basis of the latest achievements of medical biotechnology.

In cooperation with the Supra-Departmental Commission the project team of the Medical Academy will maintain contacts with the World Health Organization and with leading institutes in other countries in the common struggle against AIDS.

TATAR DEMONSTRATIONS IN MOSCOW REPORTED

AU031538 Prague RUDE PRAVO in Czech 31 Jul 87 p 7

[CTK Moscow dispatch: "A 'Show' for Western Journalists; Intolerable Activities of American Diplomats"]

[Text] Moscow (CTK) -- On Thursday [30 July], a group of individuals from among the Crimean Tatars with an extremist frame of mind staged a demonstration which involved chanting slogans on Pushkin Square in downtown Moscow.

This kind of activity, aimed at fanning the so-called issue of Crimean Tatars, has been going on for several days. On 27 July, Andrey Gromyko, chairman of the USSR Supreme Soviet Presidium, received a group of Tatars and informed them that a commission had been set up to discuss the entire set of problems submitted by the Crimean Tatars. This commission is now carefully studying their wishes and preparing appropriate proposals.

P. Bogdanov, chief of the Main Administration for Moscow City's Internal Affairs, stated that the attempts to exacerbate the situation continue despite this. In this context he said that all these actions are merely a "show" meant to attract the attention of Western reporters.

Official places, social organizations, and Moscow's law enforcement agencies are receiving numerous letters in which the working people ask whether the extremists from among the Crimean Tatars, who had arrived in the capital are to be permitted to disrupt public order. The TASS news agency reported this on Thursday [30 July].

The Moscow Gorkom has appraised the letters and decided to provide law enforcement agencies with additional powers to implement public order and adherence to discipline.

The Crimean Tatars, wo had arrived in Moscow, were again warned that actions disrupting the public order and evoking indignation among the population of the capital and among its guests cannot be tolerated. The extremists were informed that legal sanctions would be imposed on them, should they fail to respect this warning. Simultaneously it was stressed that nobody will be allowed to abuse Soviet democracy and the norms ensuring civil rights.

At the same time it was reported that persons playing the role of self-appointed leaders of the Crimean Tatars have sent an "appeal" to the governments of foreign countries, with the dubious intent to draw their attention to an issue which is exclusively a Soviet internal affair. These people are also striving to win the support of various dubious elements and to play on the sentiments of confused or not quite informed people.

On the same day the U.S. Embassy in Moscow was told that the Soviet side possesses information about the contacts established by the Embassy staff with the most extremist representatives of Crimean Tatars with certain objectives in mind, the nature of which justifies the submission of this issue to the U.S. side. Individual U.S. diplomats are trying to inspire a display of nationalism and to incite some of the Crimean Tatars now present in Moscow to engage in antisocial activities.

It was stated that Embassy Secretary Shaun Byrnes is most actively involved in this, and that he has had several secret meetings with the extremist elements during the last few days.

The Soviet side has declared that it expects the U.S. Embassy in Moscow to take all the necessary measures to totally exclude any and all meddling in the USSR's internal affairs, manifested in this instance by the encouragement of individual Soviet citizens to engage in illegal acts. Apart from everything else, this is complicating the solution of the issue now being dealt with by the commission headed by A. Gromyko.

HAVLIN RECEIVES CYPRIOT PARTY LEADER 4 AUGUST

LD041925 Prague CTK in English 1628 GMT 4 Aug 87

[Text] Prague Aug 4 (CTK) -- Czechoslovak Communist Party Central Committee Secretary Josef Havlin today received Politburo member and secretary of the Progressive Party of the Working People of Cyprus (AKEL) Konstandinos Konstandinou, who is in Czechoslovakia on holiday.

In a friendly discussion they informed each other of the implementation of conclusions adopted by their parties' congresses and dealt with questions of further cooperation between the two parties.

Present at the talks was head of a Czechoslovak Communist Party Central Committee department Michal Stefanak.

BOOK ON 'CLERICAL ANTICOMMUNISM' REVIEWED

AU031619 Prague RUDE PRAVO in Czech 31 Jul 87 p 5

[Karel Hruza book review in the "Our Review" column: "Anticommunism in the Sign of the Cross"]

[Text] The activity of clerical anticommunism, this adversary of both the Czechoslovak and international workers movement, runs like a black thread through the movement's history. "All powers of old Europe, both the pope and the czar, both Metternich and Guizot, both French radicals and German policemen" had joined forces as far back as the first half of the 19th century for a "holy war" against the ideals of communism; this was stated by K. Marx and F. Engels in the Manifesto of the Communist Party.

Viera Hudeckova's monography "Political Clericalism and Contemporary Anticommunism" points out the contemporary role of clericalism as an ideological and political factor. It was published by the PRAVDA publishing house in Bratislava.

Its first chapter deals with the general features of clericalism and with its anticommunist orientation. Citing specific examples, the author proves that the policy pursued by the present pope, John Paul II, follows up the anticommunist concept of his predecessors, Popes Leo XIII, Pius XI, and Pius XII. The fact is that current Vatican diplomacy identifies itself with the imperialist aims pursued by the policy of the U.S. Government. It is not for nothing that W. Wilson, U.S. ambassador to the Vatican, stated: "I see only two leading statesmen waging a consistent fight against communism -- the pope and the U.S. President."

The next part of the book presents facts on how political clericalism used to serve the Austro-Hungarian monarchy, how it actively assisted the bourgeoisie against the Czech and Slovak workers class, and how it contributed, in the guise of clerical fascism, toward destroying Czechoslovak statehood in the years 1938-39. [paragraph continues]

Clericalism made good use of the situation in the crisis-ridden years 1968-69, when it strove to reverse the socialist development in Czechoslovakia with the active support of church emigres. Its role was evaluated in the Lessons From the Critical Development in the Party and Society After the 13th CPCZ Congress as follows: "In the antisocialist game in which Czechoslovakia was at stake, an outstanding role was played by the reactionary representatives of the Catholic clergy, generously supported by the Catholic emigres abroad."

The author deals in detail with the anti-Czechoslovak activities of Catholic Church emigres, supported both in the past and at present by Vatican personalities. The book describes the role played by the "Slovak Cyril and Method Institute," founded in 1961 in Rome; its primary mission is propaganda activity with an unambiguously antisocialist orientation.

The book explains the true role and activities of the organization pretentiously called the "World Congress of Slovaks," which claims that it represents all Slovaks living abroad. Its intention is to penetrate the CSSR ideologically, so as to exert negative influence on its believers. The author explains why the reactionary political emigres are slandering the peace activities pursued by the Pacem in Terris Association of Catholic Clergy. The primary reason is that the Catholic clergy organized in the association supports, from patriotic positions, the building of a socialist society in the CSSR.

The book reveals convincingly and clearly the dangerous nature of political clericalism. It can be recommended to everybody dealing with the role of scientific atheism in the open ideological class battle and wanting to know about the conservative role of contemporary Catholicism.

PROBLEMS NOTED IN MILITARY TRAINING OF STUDENTS

AU031547 Bratislava PRAVDA in Slovak 31 Jul 87 p 2

[Bernard Rostecky article: "A Month of Tactics; Final Gathering of Students of the Military Faculty of Comenius University"]

[Excerpts] It has already become a tradition for the premises of the Bardejov Mechanized Infantry Formation to house students from the Comenius University in Bratislava during the summer months. Here, under what are literally combat conditions, they spend 1 month in training which actually culminates their 2-year military preparation course at the military faculty of the university.

The Military Faculty of Comenius University in Bratislava prepares students from all university departments for 1 year of basic military service at the rank of commanders of mechanized infantry squads. The final month of training is the decisive period in the preparation course. [passage omitted] Both the training and the activities, all of which are practically carried out under field conditions, are where future commanders hone their leadership techniques and the methodical ability to lead subordinates, and become acquainted with the realistic military regime of life in the authentic environment of a military formation. [passage omitted]

In the Ovsiste area in Bratislava, where their training base is located, they cannot make proper use of combat technology in the way they can here. Moreover, "thanks" to the unfinished overpass which has lost them one-third of classrooms and training areas, they have to train in what is practically a building site; this certainly does nothing to improve their training. [paragraph continues]

The PREFMONTA enterprise in Bratislava is building their new premises; but it is in no hurry to complete them. Actually, according to original estimates, the military faculty was to have moved into its new premises by 1984. These problems give birth to other problems. The equipment of classrooms no longer corresponds to contemporary requirements; their modernization is stagnating. Despite this, neither the corps of commanders-pedagogues, nor the students themselves succumb to pessimistic moods. By consistently adhering to the curriculum and by striving to make efficient use of what little they have, they are successfully achieving good standards in accomplishing the tasks of military training. [passage omitted]

BRIEFS

SRI LANKA TRADE MINISTER VISITS -- An official Sri Lankan trade delegation, led by Matarage Sirisen Amarasiri, member of parliament and minister of trade and shipping, arrived in Prague on 28 July. It will discuss the further development of trade and economic relations between the two countries with Ladislav Vodrazka, the CSSR's first deputy minister of foreign trade. [Summary] [Bratislava PRAVDA in Slovak 29 Jul 87 p 2 AU]

LENART VISIT TO COOPERATIVE -- Jozef Lenart, Presidium member of the CPCZ Central Committee, first secretary of the CPSL Central Committee, was informed today about progress in harvesting in the Topolcany district. In the unified agricultural cooperative in Preselany, he praised efforts by agricultural workers to harvest the crop. In a talk with cooperative workers, he expressed interest in their work and social conditions. In the cooperative in Nitrianska Streda, he saw the post harvest production line for the processing of grain. He pointed out that the present so-called wet variety of harvest demands maximum effort from post harvest processes in treating and storing grain. Jozef Lenart also visited the cooperative in Rybany, where he expressed interest in how the harvest was going and in results of animal production. [Text] [Prague Domestic Service in Czech 1400 GMT 4 Aug 87 LD]

ZAVADIL TOURS OSEVA FARM -- Miroslav Zavadil, member of the CPCZ Central Committee Secretariat and chairman of the Central Council of Trade Unions, today saw the progress of harvest work on the Oseva state farm in [words indistinct] in the Mlada Boleslav area. He talked [words indistinct] and other workers of the farm, and took an interest in (?improving) the workers social conditions during the harvest. The workers of the farm spoke very critically about the long-standing problem of a shortage of spare parts. They pointed out that the statewide store of spare parts in Tyniste and Orlici begins [words indistinct] dispatch at the last minute before the harvest. Comrade Miroslav Zavadil also visited the unified agricultural cooperative [words indistinct] in the Kolin area. [Text] [Prague Domestic Service in Czech 1630 GMT 30 Jul 87 LD]

YOUNG CHURCHMEN MEET IN PRAGUE -- Moravial, the European conference of young members of the Unity of Brethren Church, met in its opening session yesterday in Prague. Participating in the conference are some 80 delegates from more than 10 European states as well as from North and South America, and Asia. The purpose of this assembly of young believers is to acquaint themselves with the country in which their church originated in 1457-1458, and to observe life in socialist Czechozlovakia. They will discuss not only theological issues but also, and primarily, the mission of churches in the contemporary effort to preserve peace in the world and to inspire peaceful cooperation among people regardless of religious doctrine. Among others, they will, in the course of their conference, visit Lidice where they will honor the memory of the World War II victims of fascism by laying a wreath. [Text] [Prague RUDE PRAVO in Czech 25 Jul 87 p 2]

RADIATION PROTECTION AGREEMENT SIGNED WITH FRG

LD041208 East Berlin ADN International Service in German 1041 GMT 4 Aug 87

[Text] Bonn, 4 Aug (ADN) -- The negotiations between the GDR State Office for Nuclear Safety and Radiation Protection and the FRG Federal Ministry for the Environment, Nature Protection, and Reactor Safety were concluded in Bonn today with the signing of a government agreement on the exchange of information and experience in the sphere of radiation protection.

KESSLER RECEIVES RCP DELEGATION 4 AUGUST

LD050039 East Berlin Voice of GDR Domestic Service in German 1400 GMT 4 Aug 87

[Text] Army General Heinz Kessler, minister of defense, today received a delegation of the Romanian Communist party led by Ion Coman, member of the PEC and Central Committee secretary. At the Defense Ministry, the two discussed the international situation and the further deepening of cooperation. Kessler stressed that, after the Berlin session of the Warsaw Pact Political Consultative Committee, the National People's Army is working hard to fulfill reliably the defense task set for it in the military doctrine. Ion Coman reviewed his visit to the GDR, saying it is a renewed expression of the friendship between the two fraternal countries, which is constantly growing stronger.

BRIEFS

MEXICAN ENVOY ENDS TOUR -- Egon Krenz, deputy chairman of the GDR's Council of State, member of the Politburo, and secretary of the SED Central Committee, today received Mexican Ambassador Rogelio Martinez Aguilar for his formal farewell. In their talk, Krenz expressed his appreciation for the commitment of the Central American country within the framework of the six-state initiative for disarmament and detente and within the Contadora Group. Relations between the GDR and Mexico had developed fruitfully. [Text] [East Berlin Voice of GDR Domestic Service in German 1200 GMT 30 Jul 87 LD]

FELFE VISITS POTSDAM BEZIRK -- Berlin, 30 Jul ADN -- Nearly 10 percent of the grain in the 2.5 million hectares of land under grain cultivation had been harvested in the GDR by Thursday. Farmers are making use of every available hour for threshing and storing straw. The changeable weather and extensive rain have made it necessary to dry a large proportion of the grain. Nearly all the available agricultural vehicles are being used for the transport of grain in many villages. During a visit to fields in Potsdam Bezirk [area], Werner Felfe, Politburo member and secretary of the SED Central Committee, said that despite the difficult conditions everything must be done to speed up the harvest. [Text] [East Berlin ADN International Service in German 1551 GMT 30 Jul 87 LD]

NIGERIAN MINISTER DEPARTS -- A delegation from the Federal Republic of Nigeria headed by Bunu Sheriff Musa, minister of mines, power, and steel, ended its several-day visit to the GDR on 31 July. The delegation visited enterprises in the electrical engineering, coal, and energy sectors. With GDR ministers it also discussed possibilities of expanding economic cooperation between the GDR and the Federal Republic of Nigeria. [Summary] [East Berlin NEUES DEUTSCHLAND in German 1-2 Aug 87 p 2 AU]

SPOKESMAN BANYASZ COMMENTS ON MINISTERS' MEETING

LD311250 Budapest MTI in English 1711 GMT 30 Jul 87

[Text] Budapest, July 30 (MTI) -- On the Thursday session of the Hungarian Council of Ministers, Government Spokesman Rezso Banyasz, president of the Information Office, gave the following information:

The Council of Ministers approved the report of Prime Minister Karoly Grosz on his friendly working visit to the Soviet Union. Measures were outlined to promote the implementation of tasks posed by the continued development of Hungarian-Soviet economic links and experience of the talks. The government acknowledged Karoly Grosz's report on his talks with Malaysian Prime Minister Mohamed Mahathir.

The government held far-reaching discussions on the planned introduction of the general value-added and personal income taxes in view of the public consultations. Ministers and government bodies were instructed to continue work at an adequate pace so that the relevant bills could be presented in due time to the autumn session of parliament. To promote more economic water management, the Council of Ministers passed a decree on the supervision of the producer's water fee system and on the preparation of a legal regulation on its further development.

At the government spokesman's briefing after the session, Rezso Banyasz detailed the two prime ministerial meetings mentioned in the communique. He said, "the Council of Ministers heard the report of Karoly Grosz on his Moscow visit. It was highly appreciated that the Hungarian prime minister had an opportunity, shortly after his election, to hold open, far-reaching and useful talks with Mikhail Gorbachev, general secretary of the Communist Party of the Soviet Union, and Nikolay Ryzhkov, chairman of the Council of Ministers of the Soviet Union. We are convinced that the visit will continue to strengthen the many-sided Hungarian-Soviet relations which rest on stable bases of principle. The talks again indicated that similar economic, social and political processes are taking place in the Soviet Union and Hungary. As both countries are in search for new, more up-to-date forms of building socialism, the exchange of ideas and discussion of experience is particularly useful. The talks showed that we have similar views and identical approach to the renewal of the economy and the further democratization of the system of social and political organizations. However, history has taught us that the similarity of tasks should not mean the duplicating of methods. Our countries make continuous efforts to coordinate interests. Good intentions and a constructive attitude can smooth out any differences that may arise.

"The importance of increased efforts to completely observe valid investment agreements and inter-state accords was given special emphasis during the Moscow talks. There was agreement that direct cooperation between productive units and research points, and the formation of joint ventures may largely promote economic development in the two countries." Rezso Banyasz pointed out that the further intensification of Hungarian-Soviet economic, technical and scientific cooperation is not intended to affect relations with other countries. Quality, accuracy and high standard are the requirements to be met with all partners, both socialist and capitalist. He said the comradely and friendly spirit of high-level contacts serve the tried-and-tested friendship and alliance of the Hungarian and Soviet peoples.

The spokesman briefly covered the Hungarian-Malaysian prime ministerial talks which ended on Wednesday. He said, "a basic aim of Hungarian foreign policy is to develop relations with countries under different social systems on the basis of mutual advantages. The developing countries are major partners to Hungary, as was illustrated by the Budapest trip of Mohamed Mahathir, the first Malaysian prime minister to visit Hungary. The establishment of substantive contacts were in the centre of the personal discussions of the two heads of government and the talks by members of the delegation and Malaysian business people. With a view to mutual interests, the recent talks offer a realistic possibility to open the way to tangible economic results and contribute to increasing Hungary's prestige in Southeast Asia."

Following, Rezso Banyasz answered questions by representatives of the press. On the position of the Hungarian Government regarding the latest disarmament proposals of the Soviet Union, he pointed out, "we completely support the Soviet proposal on the global abolition of Soviet and U.S. medium-range and tactical missiles. We also agree with the view that the militarization of outer space should be prevented. We hold that the new Soviet initiative is a decisive contribution to removing obstacles to the successful conclusion of the Geneva talks.

"To preserve world peace, it is desirable for the two great powers to continue dialogue and sign the Soviet-American missile agreement as soon as possible, as it would encourage the starting of talks on the complete elimination of nuclear arsenals. We have always professed that states with different alliance affiliations should help the great powers, with the means at their disposal, in efforts to halt the arms race. Hungary's foreign policy actively supports all endeavours to continue the detente process started in Helsinki and intensify dialogue between countries with different social systems," Rezso Banyasz said.

Answering a question on the traffic of border-crossing points, Rezso Banyasz said that longer than 30 minutes waiting time on the Austrian, Yugoslav and Romanian borders was partly due to the tourists' wish to use the usual crossing points, which caused major disproportions in traffic. In consideration of the Austrian tourist traffic, plans have been drawn up for a new crossing station to be constructed in Sopron. The Parassapuszta station is being updated on the Czechoslovak side. The Hungarian frontier guard is doing everything possible to guarantee expedient checking.

Rezso Banyasz confirmed that at present Finance and Interior Ministry Officials are drafting proposals to be presented to the government on streamlining passport regulations.

On the use of parabolic aerials for the reception of satellite TV programmes, Rezso Banyasz said, "a distinction should be made between the telecommunications and transmitter satellites send signals and programmes attached to licence, according to the international agreement and Hungarian regulations. [sentence as received] This means that the programmes can be received solely by the Hungarian post for subscribers connected to the authorized cable system. The service therefore, can only be requested from the Hungarian post. The programmes of the transmitter satellites, expected to appear in the near future, will be open to anyone with appropriate equipment, the production of which has been started by several domestic companies and cooperatives. We in no way intend to obstruct the reception of transmitter programmes," Rezso Banyasz said and expressed the hope that the international programmes will serve the friendship of peoples.

JARUZELSKI, MESSNER MESSAGE TO HONECKER, STOPH

AU051819 East Berlin NEUES DEUTSCHLAND in German 4 Aug 87 p 1

[Text] Wojciech Jaruzelski, first secretary of the PZPR Central Committee and chairman of the PPR State Council, and Zbigniew Messner, chairman of the PPR Council of Ministers, have sent the following telegram to Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, and Willi Stoph, chairman of the GDR Council of Ministers:

Esteemed comrades: On behalf of the PZPR Central Committee, the State Council, and the PPR Council of Ministers as well as on behalf of the Polish people and on our own behalf, we warmly thank you for the greetings and congratulations conveyed to us on the occasion of the 43d anniversary of the rebirth of Poland.

We fully share your conviction that the consistent implementation of the stipulations at the highest level will promote the further fruitful development of all-round cooperation between Poland and the GDR, thus helping to solve the new tasks in the processes of socialist construction in both countries.

Esteemed comrades, we take this opportunity to convey best wishes to you for further successes in your responsible activity aimed at the all-round development of the fraternal GDR, as well as for good health and personal well-being.

Wojciech Jaruzelski
First Secretary of the PZPR Central Committee and chairman of the PPR State Council

Zbigniew Messner
Chairman of the PPR Council of Ministers

PRC PLANNING COMMISSION VISIT RECOUNTED

LD042007 Warsaw PAP in English 1906 GMT 4 Aug 87

[Text] Warsaw, August 4: A Chinese delegation headed by Vice Chairman of the State Planning Commission of the People's Republic of China Gan Zhijian visited Poland July 29 - August 4 to acquaint itself with the economic reform being pursued in Poland.

The delegation held talks in Warsaw and visited Gdansk and Krakow. Ganzhi Jian was received by PUWP CC Political Bureau Member, CC Secretary Marian Wozniak and by Vice Premier, chairman of the Government Planning Commission Manfred Gorywoda. Talks were held at the Ministry of Finance and Narodowy Bank Polski (National Bank of Poland) NBP.

In the course of the visit Polish-Chinese plenary talks under the chairmanship of first deputy chairman of the Planning Commission Franciszek Kubiczek from the Polish side and Ganzhi Jian from the Chinese side and talks at viovodship planning commissions. [sentence as received]

The Chinese guests also acquainted themselves with the operation of Polish enterprises and economic organizations, including the "Polcolor" TV picture tubes works, the port in Gdynia and the Chinese-Polish association "Chipolbrok."

The Chinese guests acquainted itself with the system of central planning in Poland and the functioning of enterprises on the basis of reformed principles and issues of local planning as well. They very positively assessed the scale and depth of the changes introduced within the frame of the economic reform and the progress in their practical application. The delegation stressed the usefulness of the information it acquired from the point of view of the process of reforming the Chinese economy.

The Polish and Chinese sides spoke in favour of expanding and enriching mutual cooperation through the tightening of direct ties between plants as the most effective way of developing co-production and accelerating scientific-technical progress. A programme of cooperation between the central planning bodies of Poland and China would be elaborated for the period of 1988-1990. It would cover, among other things, issues of perfecting the planning workshop, exchange of information and the organization of meetings at the level of experts.

The talks were attended by Chinese Ambassador to Poland Pey Yuanying.

TRADE MEETING CALLS FOR MORE EXPORTS TO USSR

AU031002 Warsaw TRYBUNA LUDU in Polish 1-2 Aug 87 p 2

[PAP report: "Poland-USSR: Traditional Forms of Economic Cooperation Are No Longer Enough"]

[Text] Problems with our economic cooperation with the USSR, especially the situation with and tasks of foreign trade, were the subject of a conference held by the Foreign Trade Ministry on 31 July in Warsaw.

The conference was chaired by Andrzej Wojcik, minister of foreign trade, and attended by numerous representatives of large industrial and foreign trade enterprises and economic bodies.

Presenting the current situation in Polish-Soviet trade and its 5-year program, Zdzislaw Kurowski, undersecretary for foreign trade, underlined the fact that over 30 percent of Poland's trade turnover involves the Soviet Union, and that this is more than the trade involving all the other socialist countries put together.

The USSR is our main partner, and in many respects our main source of raw and other materials for industry. Thus, trade and broad economic cooperation with this country are of enormous importance to our economy.

However, our balance of payments with the USSR is negative. At the end of 1985, our debts exceeded R4 billion and $1.3 billion. Despite the fact that repayments of the principal sum have been postponed until after 1990, we are still repaying a part of the loan plus interest. It is envisaged that this 5-year period will see a change from trade imbalance to balanced trade. The performance of this difficult task in our economic situation means that we must increase our exports to the Soviet market, and the level of exports must rise more than the level of imports.

This requires most of all an increase in the supply of goods for export, and the modernization of many commodities that we offer, especially machinery and equipment. The comprehensive economic restructuring in the Soviet Union is creating new tasks for our industrial exporters, for our partners have an ever-increasing interest in those commodities that can assist in the processes of modernizing their economy. Therefore, our Polish exports offer must coincide with long-term, priority imports from the Soviet partner. A rapid development of exports on the basis of traditional forms of cooperation is no longer enough. Apart from a planned development of our industry by means of structural changes, it is now becoming essential to undertake new forms of cooperation, involving more direct contacts between enterprises.

The participants in the conference spoke not only about the chances which the development of trade with the USSR presents for our economy and enterprises, but also about the difficulties with the performance of contracts and export agreements. Not all our major exporters have managed to fulfill their plans for the first half of the year. In some branches, the achievement of this year's aims has been at a low level. Among the reasons for this, the participants stressed difficulties with obtaining the necessary materials and commodities. It transpires that the restriction of central distribution, which is in accordance with the economic reform, is still not accompanied by the enterprises' ability to use their independence in obtaining production resources.

It was said that the material shortages suffered by most exporting enterprises are making it difficult for these enterprises to achieve high product quality, which is essential for trade with a demanding partner. It was also said that there is a lack of resources for major capital investment tasks, without which it is difficult to achieve more modern technology.

The meeting also referred to new, direct forms of cooperation between Polish and Soviet enterprises and scientific research establishments. The conviction was expressed that such cooperation may modernize the production of many commodities, and consequently boost exports. However, joint undertakings should involve not only production and technology, but also capital. Here it was pointed out that it is necessary to modify the CEMA economic system.

Many remarks, conclusions, and proposals were voiced during the conference. Some of them were addressed to the foreign trade ministry. The sum intention of these was to create more favorable conditions for the development of trade exchange with the Soviet partner and ensure the successful implementation of our export programs.

1988 PLAN SETS 'ECONOMIC BALANCE' AS MAIN ISSUE

LD041703 Warsaw PAP in English 1614 GMT 4 Aug 87

[Text] Warsaw, August 4: The central annual plan for 1988 has set economic balance as the number one issue. This is tangential to the outcome of the discussions on the second stage of economic reform, the concrete solutions of which are to be put into effect next year at the latest.

The point is to change the existing state. It can be described as a situation of, on the one hand, money means surplus (of both the population and enterprises) and on the other hand, a deficit of the material counter-parts of these means.

According to the provisions of the central annual plan for 1988 next year the supply of basic raw materials and materials can increase by only 1.6 percent. There will also be no factual growth in new labour force. The opportunities for economic growth, therefore, lie in effectiveness. Its growth is to bring about an increase in goods and services supply to the market by 2.5 percent and in investment projects by 3.7 percent. This, however, will not be enough to achieve balance solely by increasing the material effects of production with the current scale of inflation.

That is why the plan for next year envisages, first and foremost, the full balancing of budget expenditures and incomes. In connection with this subsidies should be limited and savings introduced in budget [word indistinct] directed at financing enterprises.

At the same time, however, next year's plan creates better conditions for enterprises to show their success, initiative and effectiveness. Moreover, enterprises are to gain a chance of joining limited liability companies under commercial law, of joining capitals in order to implement joint undertakings and the like.

The question of how equilibrium, as a target, will be manifested in the price-income policy, is to be the topic of a separate report on the restructuring of the structure of prices accompanied by such a growth in incomes as to enable the most broad introduction of equilibrium prices. The matter is a complex one due to its social implications and the need to find such solutions which would adjust balance, as a condition, to the principle of not lowering the living standard.

The central annual plan for 1988 also proposes instruments enabling a greater engagement of the money means of the population through, among other things, the sale of bonds, changing the system of interest rates for bank accounts with a view to guaranteeing their real value.

COMMUNIQUE ON 28 JULY POLITBURO SESSION PUBLISHED

AU031341 Warsaw TRYBUNA LUDU in Polish 30 Jul 87 pp 1, 2

[Text] PAP -- On 28 July the PZPR Politburo discussed further conclusions stemming from the discussions on the subject of ways of balancing out the economy as part of the second stage of the economic reform.

The program in this sphere should take into account activity which serves to increase the supply of market commodities and services. Suitable undertakings in the sphere of prices and incomes policy are required, as well as the removal of economic factors that prevent progress in productivity inside enterprises.

The government will continue work on alternative proposals in these matters, so as to coordinate economic efficiency with social approval.

Along with members of the Social Anti-Alcohol Committee, youth organizations, and the government, the Politburo discussed the implementation of the law on sober upbringing and on counteracting alcoholism.

At the same time, it was noted that supplies of alcohol to the market in the first half of 1987 were 5.2 percent lower than during the same period last year. Facilities for treating alcoholism are developing, though still not to an adequate extent. Clubs of abstainers and various self-aid groups are becoming increasingly energetic, and an active information campaign is proceeding. Last year the work of the prosecutor's office and Interior Ministry led to the number of proceedings initiated on the basis of the law on sober upbringing being almost double the number initiated in 1985. There were three times as many cases involving accelerated proceedings as in 1985.

However, these signs of improvement must not be overestimated. The changes for the better are negligible. The situation is still bad, and it is necessary to discuss this social disease in sharp tones and broadly inform society about the danger involved.

In this context the Politburo criticized the implementation of the law on sober upbringing and on counteracting alcoholism. It pointed out a lack of consistency in implementing its provisions and adhering to the path of action adopted by the government.

The Politburo stressed that the present meeting should result in firm decisions and actions in order to step up the struggle against alcoholism and the other social diseases it causes. It is the party's particular duty to see to it that this struggle is waged at every level and using all available resources, in order to resolutely counteract drunkenness -- the natural cause of crime and of a lack of adherence to moral principles, which has a destructive effect on many families, social attitudes, and work quality.

It was stressed that the work of the Social Anti-Alcohol Committee and of the Government-Episcopate Joint Working Team to Combat Alcoholism is playing a major role in encouraging soberness and joint activity aimed in this direction. This constitutes important and valuable support for the work of state bodies. In any case, the moral and material damage caused by alcohol imposes the need for more energetic and effective action by political and social organizations.

Sobriety should become a universal and highly-valued norm of social life. It must be accompanied by a further radicalization of the struggle against alcoholism. What is important is effective educational, punitive, and rehabilitational activity. Firm steps must be taken in order to prevent the presence of drunken persons on the streets and in public places. Illegal production of and trafficking in alcohol will be combated more widely. The fines for these violations of the law will be much more severe. The consequences of drinking should not create a burden on social resources.

The managements of enterprises and institutions will be obliged to wage a sharper struggle against drunkenness by employees. The right to manage people carries a great responsibility. By means of his own attitude and standards vis-a-vis the persons under him, a supervisor must ruthlessly eliminate alcohol from his workplace. A liberalism that is downright scandalous has existed in this sphere until now. Tolerating this is tantamount to moral, social, and economic harm. Cadre assessments and reviews must take into account the ability of managers to guarantee sobriety at one's work post. The increased responsibility of supervisors at all levels, plus the amendment to the labor code, should facilitate a more determined elimination of this dangerous and highly harmful phenomenon.

The government will aim toward socially justified solutions governing the production and sale of alcohol. Television, radio, and the press should present the effects of alcoholic abuse, help create a climate in which drunks are censured, and suggest attractive forms of participation in broadly-conceived cultural life, tourism, and recreation, especially for young people. The possibilities in this sphere must be considerably richer and better adapted to the taste and changing expectations of people, especially young people in boarding schools and students' and workers' hostels.

The importance of therapy and rehabilitation and the need to expand this was also stressed.

The Politburo indicated that citizens and institutions involved in the struggle against drunkenness must examine the difficulties and shortcomings that exist in eliminating this plague. Firm activity by primary party organizations is of great importance, especially the full performance of appropriate tasks stemming from the talks and resolution of the Fourth PZPR Central Committee Plenum.

Apart from concern for the performance of production tasks, it is also the duty of party organizations -- in concert with trade unions and workers self-management bodies -- to create a climate of disapproval of alcohol within workplaces, and to see to it that sobriety is firmly observed and implemented at work. In addition, severe party penalties must be applied to party members who break the law on sober upbringing and on counteracting alcoholism. Youth organizations, the Polish Women's League, and other social organizations must display greater energy and initiative in combating alcoholism. Appropriate responsibilities in this regard are also carried by representative bodies and the administration on all levels.

The program for combating alcoholism prepared by the government should be radicalized and firmly implemented.

The Politburo heard a report on preparations for this year's harvest, which is delayed because of the weather. Because of the heavy rainfall, it will be difficult in many regions, especially where the grain has already been cut.

A smooth harvest depends on properly prepared equipment, organization, and storage and drying facilities for rape and grain. Use of technology, correct work organization, harvest techniques -- all this depends on people, on their industriousness, ability, and commitment.

Supplies of spare parts and new equipment mean that this year's harvest is better prepared than in previous years. The work of machines and people will be supported by about 5,000 mobile technical service points, which will be operational 24 hours a day.

Facilities for storing and drying rape and grain are also better than in previous year. Even so, supplies may pile up if all types of grain are harvested simultaneously, with the result that there will be distribution difficulties. These will be offset by the introduction of flexible working time for transportation services, the unloading of grain stores by night, and special agreements to store grain with manufacturers.

The Politburo is convinced that farmers will make an effort to gather crops with minimal losses, as they have done in previous years. Giving a positive assessment to the preparations for the harvest, the Politburo wishes all Polish farmers a successful, efficient, and rich harvest.

The Politburo heard a report on the friendly working visit to Poland by Nicolae Ceausescu, RCP general secretary and president of the SR of Romania, and his talks with Wojciech Jaruzelski, PZPR Central Committee first secretary and chairman of the PPR Council of State.

It was stated with satisfaction that the talks had revealed a consensus of views concerning fundamental international problems, and had confirmed the desire of both states to animate efforts to consolidate peace and European security. Both parties will actively support the peace initiatives of the Soviet Union and other socialist countries, including the Polish proposal to reduce armaments and increase confidence in central Europe, and the proposal of Romania and Bulgaria to establish a zone free of nuclear and chemical weapons in the Balkans.

The Politburo approved and praised the agreements reached during the visit concerning the development of bilateral relations, interparty contacts, and economic cooperation, especially industrial specialization and coproduction. The conviction was expressed that these agreements will encourage a deepening of the traditional Polish-Romanian friendship and the consolidation and development of comprehensive cooperation between both parties, states, and peoples.

The relevant bodies and institutions were entrusted with the implementation of the agreements reached during the visit.

The Politburo acquainted itself with the course of the official visit of friendship to Poland by the party-state delegation from the PRK led by Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party [KPRP] and chairman of the PRK Council of State, and praised the results of the talks.

It was stated that the talks had confirmed the aim of both parties and states to enhance joint activity for the sake of peace, security, and international cooperation, and to conduct an intensive search for political solutions for local problems in Europe and Asia, including the Cambodian issue.

The need was indicated to continue the Polish-Cambodian political dialogue and further animate PZPR-KPRP cooperation, which would help both countries gain a better knowledge of each other's experience in socialist construction.

The importance of seeking effective forms of mutually advantageous economic cooperation and animating cultural cooperation, especially involving the protection and restoration of Cambodian cultural treasures, was stressed.

The Politburo expressed the conviction that the PRK party-state delegation's official visit of friendship to Poland and the agreements reached during it will serve to consolidate and expand the friendly relations and cooperation and serve the cause of peace and socialism in the world.

CEAUSESCU INVITES PERES, SHAMIR FOR TALKS

TA031029 Tel Aviv MA'ARIV in Hebrew 3 Aug 87 p A 6

[Text] Last Friday, Romanian President Nicolae Ceausescu sent two messages, one to Prime Minister Yitzhaq Shamir and another to Foreign Minister Shim'on Peres, inviting them both for talks in Bucharest soon.

Political circles expect Ceausescu and Shamir to discuss the U.S. Congress' move to revoke the preferential status granted to Romanian goods because of Romanian neglect of human rights issues.

In the past, the Israeli lobby in Washington had often taken action to prod the U.S. legislative branch to grant Romania this preferential status, thereby helping ease Romania's dire economic plight.

This time, too, Israel will undoubtedly be prepared to help as best it can and Ceausescu will be advised of this.

RCP CENTRAL COMMITTEE PEC MEETS 3 AUGUST

Visit by LCY's Krunic Endorsed

AU031843 Bucharest AGERPRES in English 1809 GMT 3 Aug 87

[Text] Bucharest AGERPRES 3/8/1987 -- During a meeting the Executive Political Committee of the CC of the RCP held on August 3, an account was read of the official visit of friendship a delegation of the League of Communists of Yugoslavia led by Bosko Krunic, president of the Presidium of the LCY Central Committee, paid to the Socialist Republic of Romania over July 22-24, 1987.

The Executive Political Committee fully approved of the results of the visit and of the talks between Comrades Nicolae Ceausescu and Bosko Krunic, assessing that they open fresh prospects to the consolidation of collaboration between the Romanian Communist Party and the League of Communists of Yugoslavia, between the Socialist Republic of Romania and the Socialist Federal Republic of Yugoslavia both bilaterally and internationally.

The special significance of the interviews between the two party leaders was underscored as well as the fact that the collaboration between the Romanian Communist Party and the League of Communists of Yugoslavia was an important factor in the steady growth of ties between the two countries and peoples.

The Executive Political Committee underlined the importance of the conclusions reached during the visit on the intensification of efforts toward expanding bilateral economic relations, especially production specialization and cooperation in production, with long-term agreements at their basis, as well as to amplifying cooperation in science and technology and in other spheres of mutual interest.

The Executive Political Committee also pointed to the great significance of the exchange of views Comrade Nicolae Ceausescu and Comrade Bosko Krunic effected on the major aspects of the world life and on the situation and evolution of the international communist and working-class movement. The fact was particularly shown that, given the identity of viewpoints on the questions approached, the two party leaders reiterated the two parties' and countries' determination to cooperate still more closely in the world arena, actively contribute to the firm promotion of the policy of detente, the achievement of disarmament, nuclear disarmament first and foremost, the political, negotiated settlement of the states of tension and conflict in various parts of the world, the liquidation of underdevelopment and the building of a new international economic order.

The Executive Political Committee stressed that the new summit dialogue evinced Romania's and Yugoslavia's will to act for the growth of good neighbourly and cooperative links among the Balkan countries, for the transformation of the Balkans into an area of peace, stability and cooperation, free of nuclear and chemical weapons; the establishment of a climate of security, confidence and broad cooperation in Europe and the world.

Approving of the results of the visit, the Executive Political Committee requested the government, the ministries, the central economic bodies to take every measure for the appropriate implementation of the understandings reached during the visit.

Plan Fulfillment Discussed

AU031936 Bucharest AGERPRES in English 1901 GMT 3 Aug 87

[Text] Bucharest AGERPRES 3/8/1987 -- Met on August 3 under the chairmanship of RCP General Secretary Nicolae Ceausescu, the Executive Political Committee [PEC] of the CC of the RCP debated first a number of home economic and social affairs.

So, it examined a report on the fulfillment of the economic plan of July and the measures required to integrally carry out the plan provisions for this month and the third quarter of this year. As it was pointed out during the meeting, though the results scored in July were superior to the ones obtained in the same period of last year, they were not up yet to plan provisions, to the technical and human potential the Romanian economy avails of. The RCP general secretary called attention to that situation and emphasized the need to integrally fulfill the plan, the responsibility of economic units and industrial central departments, the concern which should be further shown to achieving high-quality export production. The RCP and Romanian state leader assessed that all conditions existed to fulfill the economic tasks set under this year's plan.

The analysis [which] the Executive Political Committee made of the way in which the summer farm campaign develops evinced that a number of counties achieved big barley and wheat outputs. The RCP general secretary requested that further resolute action be taken for a faster harvesting and storing of the cereal production, the performance of the other seasonal farm operations and the preparation of the autumn farm campaign.

The Executive Political Committee also analyzed a report on the improvement of the system of securing assets and persons, and examined the evolution of the main demographic phenomena in the first half of this year when the population's natural growth was bigger than in the same period last year. [paragraph continues]

Analysis was also made of the way in which proposals, intimations, complaints and applications the working people addressed to the party leadership were handled.

Papandreou's Visit Endorsed

AU032000 Bucharest AGERPRES in English 1905 GMT 3 Aug 87

[Text] Bucharest, AGERPRES 3/8/1987 -- In its August 3 meeting the Executive Political Committee [PEC] of the CC of the RCP was informed about the good-will visit Prime Minister Andreas Papandreou of the Hellenic Republic paid to Romania on July 27, 1987.

The Executive Political Committee assessed that the interview and talks between President Nicolae Ceausescu and Prime Minister Andreas Papandreou were, through their results, significant moments in the growth of the traditional ties between Romania and Greece.

In that context it was stressed with special satisfaction that the president of Romania and the prime minister of Greece reached important understandings on the questions approached which confer an ever richer content on bilateral and international collaboration between the two countries.

The Executive Political Committee underlined the special significance of the declaration and call of the president of the Socialist Republic of Romania, Nicolae Ceausescu, and the prime minister of the Hellenic Republic, Andreas Papandreou, adopted during the visit, which expresses the two countries' firm determination to act, through concerted actions, for the halting of the arms race, of the nuclear one in particular, for the complete elimination of nuclear weapons and the substantial reduction of conventional ones, for the promotion of detente and peace. The Executive Political Committee underscored the importance of the call the president of the Socialist Republic of Romania and the prime minister of the Hellenic Republic addressed to the President of the United States of America and to the general secretary of the Central Committee of the Communist Party of the Soviet Union to do everything possible to reach an agreement as soon as possible on the elimination of all medium-range missiles from Europe, as a first step towards other accords and understandings apt to pave the way for the elimination and abolition of all nuclear weapons. The Executive Political Committee is of the opinion that everything is in place so that such an accord be concluded between the USSR and the USA, that all efforts should be made to remove all obstacles to achieving it. In that respect West Germany should renounce the "Pershing-1A" missiles emplaced in its territory.

The Executive Political Committee highlighted the particular significance of Romania's and Greece's stance, set forth in the declaration and appeal, on the situation in the Balkans, which expresses their peoples' will to live in peace and cooperation with all the Balkan countries, irrespective of their political and social system, the determination to consistently work for the transformation of the Balkans in a zone of good neighbourliness, of understanding and cooperation, free from nuclear and chemical weapons. In the context, emphasis was placed on the importance both Romania and Greece attach to the soonest possible organization of a Balkan summit in Bucharest on broad development of collaboration and cooperation in the Balkans, built-up confidence, strengthened security and peace in this part of Europe.

The fact was highly appreciated that during the talks it was agreed to continue the Romanian-Hellenic top-level consultation, intensify the collaboration between Romania and Greece in the world arena, to further contribute to solving the fundamental questions of peace and disarmament, which are vital for our peoples, for all world nations.

The Executive Political Committee fully approved the results of the recent meeting between President Nicolae Ceausescu and Prime Minister Andreas Papandreou, and set measures to further develop Romanian-Hellenic collaboration and friendship.

GROWTH IN EXPORTS OF CHEMICAL PRODUCTS VIEWED

AU031339 Bucharest AGERPRES in English 1258 GMT 3 Aug 87

[Text] Bucharest AGERPRES 3/8/1987 -- Over the last two decades Romania has developed a powerful, very dynamic chemical industry (growing at an 18 percent average annual rate over the 1965-1985 interval) which diversifies permanently the fabrication list and renews its production. As a consequence the share of new and modernized products went up more than three times over the interval, so the volume of exported chemicals went up continuously.

Over the last 20 years the Romanian exports in the field went up more than nine times, the branch contributing more than 25 percent of the country's exports. Romanian chemical products are well known and appreciated in well over 100 countries, inclusive of developed countries in the field, such as England, Austria, Belgium, Czechoslovakia, Canada, Switzerland, France, Italy, West Germany, Netherlands, USSR, USA, Japan, etc. Some of the most demanded Romanian products are aluminium and the aluminium alloys, the sodium products, phenol, lacquers, paints, chemical fertilizers, plastics and synthetic resins, synthetic rubber, tyres, synthetic fibres and yarn, medicines and pharmaceutical preparations, etc., whose share has grown considerably in the volume of exports.

Over the current five-year plan period (1986-1990), compared to the previous one (1981-1985), the share of certain products will grow in the total volume of exported chemicals: lacquers and paints based on synthetic resins -- 17.7 percent, up from 1.8 percent in 1985, aluminium and alloys -- 42.2 percent, up from 36 percent, nitrolime -- 71 percent, up from 57.5 percent.

BRIEFS

DEATH OF GHEORGHE PETRESCU -- The RCP Central Committee and the Central Council of the General Union of Romanian Trade Unions [GURTU] announce with deep sorrow that Comrade Gheorghe Petrescu, RCP Central Committee member, vice chairman of the GURTU Central Council, and longstanding militant of the communist and workers movement of our country, passed away on 28 July 1987. [Summary] [Bucharest SCINTEIA in Romanian 30 Jul 87 p 5 AU]

SAWPY CONFERENCE DELEGATES DEBATE ECONOMIC TRENDS

AU041526 Belgrade POLITIKA in Serbo-Croatian 31 Jul 87 p 5

[Excerpts] Belgrade, 30 Jul (TANJUG) -- The fact that our problems have a long-term character should not be used as an excuse for current economic policy failures. Each individual measure should alleviate present troubles and contribute to completely resolving the economic difficulties in due course. This was stressed by academician Nikola Uzunov in an introductory report at today's session of the SAWPY Presidium's federal conference, which discussed the economic trends in the first half of the year.

In the present exceptional situation, Uzunov noted, there must be a clearly defined order of decisionmaking and accountability. Neither organizations of associated labor nor municipalities, but the federal and republican organs, are responsible for inflation, debt repayments, the budget, and other problems. However, individual firms are solely responsible for losses they incur.

The session of the SAWPY Presidium federal conference was also attended by Bosko Krunic, president of the LCY Central Committee Presidium; SFRY Assembly President Marjan Rozic; and FEC President Branko Mikulic, who took part in the debate.

There must be a clear definition of individual rights and responsibilities, Uzunov said. If an individual, collective, or forum refuses to assume duties and responsibilities it should not be allowed to take part in decisionmaking and, by implication, it has no moral right to criticize.

Singling out the country's foreign indebtedness as the most serious long-term problem, Uzunov said repaying the debt is the duty of all, without exception or privilege either for sectors or on a territorial basis. The country's foreign liquidity must be secured through, as he put it, the functioning of the foreign currency market, concentrating foreign currency on the market and not through the decisions of the executive organs. [passage omitted]

"Parasitism," on which a large part of national income is spent in an unproductive and socially nonbeneficial way, is also a great problem. There is too large a group of able-bodied but dependent and employed but unproductive people in the country. Overemployment is also a problem. The level of public expenditure and collective consumption is too high. The causes are to be looked for in the policy, organization, administration, and economic performance and in the people's attitude to work and duties.

In Uzunov's view, under present conditions it would be too risky and overbold to liberalize prices, as there is no balance between supply and demand, nor is there competition on the market. Uzunov also called for the aggregate rate at which funds will be earmarked for public expenditure and social welfare to be legally imposed.

Some very high-ranking federal officials said that they would resign if inflation reached 100 percent, Joze Smole [not further identified] stressed in the ensuing discussion. He said he did not favor resignations but drew attention to these statements to illustrate his belief that many of the comrades in leading positions considered the measures taken efficient enough to enable us to avoid 100-percent inflation.

Smole was firm in his belief that we all failed the test posed by high inflation. We are all operating in an inflationary manner, as he put it, and all social subjects are working under the strain of inflation, trying to adapt to it. We need a new, concrete anti-inflationary program. Back in January the Slovene SAWP called for a large-scale national move against inflation. In this context, he criticized the FEC's report for describing inflation as one of the problems instead of treating it as a priority problem. He went on to stress he was aware that a whole series of measures, though not partial ones, was needed for curbing inflation.

Proceeding from the view that the socialist alliance has the capacity to do a great deal toward creating a necessary climate and launching political and other actions against inflation, Smole called for the federal conference to convene a session in autumn with a single topic on the agenda: the struggle against inflation. I agree that public expenditure is too high, but in my view the federation should lead in the efforts to reduce it. He specified that everything relating to the federal budget could not be treated as a taboo subject.

We have failed to curb inflation even though it was designated one of the main goals of this year's economic policy. With this statement FEC President Branko Mikulic reiterated the views heard earlier in the debate. However, he denied that the current year had already been lost, as some would like to make the public believe. Constructive criticism is desirable in the efforts to remove the problems, and we must encourage and stimulate arguments and proposals for pulling out of the crisis, that is, for improving the economic system and economic policy solutions. Mikulic added that there must be differentiation between well-argued criticism, on one hand, and negative attitude, lack of belief in the possibility of emerging from the crisis, exclusiveness, and preconceived distrust by some institutions in the system and individuals in them, on the other.

Speaking in greater detail about the FEC's activity over the last 14 and 1/2 months, Mikulic noted that by mid-1986 the majority of tasks in implementing the long-term program of economic stabilization had not been conducted. The only two instruments of the real economy to have been implemented were the exchange and interest rate, but they were not real in any case. The FEC has directed its activity primarily at halting unfavorable trends in the current economic activity and giving them a positive direction.

Particular attention, according to Mikulic, has been focused on increasing production, exports, and foreign currency earnings. The prompt and even anticipatory introduction of the sliding exchange rate for the dinar in mid-1986, an increase in regional export incentives, and the measures of the monetary-credit policy in the same period provided significant stimuli for export-bound economy and agricultural production, in particular. The effects of these and other measures taken at a later stage have become more evident this year. Up to 26 July, total exports, calculated in U.S. dollars, rose by 3.9 percent. Exports to the convertable currency area rose by 15.2 percent, to the developed countries by 24.4 percent, and to the developing countries by 4.7 percent. If, for the well-known reasons, the exports to the clearing area were not reduced by 18.5 percent, overall exports would have been even better. In other words, the situation in the export-bound economy has not worsened but improved, Mikulic said.

Listing other FEC tasks, Mikulic mentioned the need to eliminate price disparities in several stages. This operation, however, calls for economic defense mechanisms that would maintain the effects produced by removing disparities and prevent a series of price rises, in other words, the explosion in inflation. [paragraph continues]

The FEC president mentioned many other measures designed to provide conditions in which the market could influence the formation of prices, reduce inflation, and lead to more rational and efficient economic performance. Of course, this cannot be achieved in one fell swoop. It will have to be done gradually; otherwise we would not be able to avoid a big inflationary shock, Mikulic said, referring primarily to price rises in the energy industry, transport, metallurgy, chemistry, the housing industry, and municipal services.

We hope that by year's end all the economic systemic changes envisaged in the stabilization program will be carried out and completed, and, Mikulic stressed, will create the conditions for the application of all the criteria and parameters of a realistic economy. I refer to changes that can be realized under the terms of the existing constitutional solutions. He also spoke, attaching to it the appropriate significance, about elaborating a strategy of development for the important sectors of the economy, for economic relations with other countries, and joint production and export programs. Agreements on the development of the small-scale economy and taxation policy are due to be signed, and a special area of FEC activity will be the financial consolidation of the economy and banks This is a very major problem because the deficits and shortfalls registered are enormous and one of the greatest sources of the high inflation. This source of uncovered expenditure must be shut off and the price for it must be paid.

Mentioning the decision to cover the negative exchange rate differentials in the Feni case, Mikulic warned that this act, adopted as a temporary measure, cannot be a method of resolving the financial recovery of failed investments in any other case. If such demands are made, Mikulic said, they can only be resolved with the agreement of the republics and provinces, not by temporary measures.

Dealing with the problems of the country's foreign liquidity, as Mikulic said, has been made even more difficult by decreased foreign exchange income from workers' remittances and exports. In particular, he criticized the widespread practice of retaining foreign exchange abroad. From the beginning of this year to the end of July the national banks of the republics and provinces received 94,863 demands to extend the deadline for bringing foreign currency back into the country, foreign currency in the amount of $2.459 million realized through exports of goods and services. Out of this, 90,026 demands amounting to $2.32 billion come from the convertible currency markets. FEC preparations are underway to carry out appropriate analyses of the country's payment capability toward foreign countries, which will be sent to the SFRY Assembly during September.

Mikulic again touched upon the problem of inflation saying that more significant and lasting results in curbing it can be achieved in a somewhat longer period than envisaged. However, there is the worrying fact that we have not made a more significant step in eliminating those causes of inflation that could have been overcome in a relatively short period. Here, Mikulic primarily implied reducing all forms of expenditure within the limits of disposable income, strengthening financial discipline, eliminating all forms of irregular issuing of money, and conducting monetary and credit policy that would stimulate production and exports, as well as bringing down inflation. This would also include a more efficient utilization of available production capacities and work time.

Under the influence of intervention measures, Mikulic said, there occurred a certain slowing down of joint and general expenditure, which is a big generator of inflation. However, from January to June this year incomes paid for general and joint needs were 109 percent higher than at the same time last year. [paragraph continues]

Noneconomic investments also increased faster than the economic ones, not only last year but also in the first months of this year. Mikulic recalled there had been very sharp attacks on intervention laws adopted to prevent such negative trends in expenditures. The FEC was labelled an expropriator of the workers' right to decide about distribution and was said to be an attacker on self-management and the like.

However, it is interesting that nobody questioned responsibility for the failure to implement the adopted policy, Mikulic said, adding that intervention laws would not have been adopted at all had the policy been implemented. The awareness of this has been suppressed while production growth is being justified in various ways. At the same time, the FEC is being criticized publicly and sharply for not curbing inflation. According to him, the essential condition for this is a better utilization of production potentials, and here we have nothing to boast about. He illustrated this with convincing figures.

We have not yet succeeded in putting the monetary and credit policy, as a great source of inflation, under appropriate social control. Excesses in this field are ascribed by Mikulic to the strivings to carry on the present practice and to cover all the failures in investment policy and in the operations of a number of collectives and banks with the primary money issue.

Unsatisfactory results in combatting inflation are also influenced by the irresponsible behavior of those organizations that increase prices without justification, as well as of the sociopolitical communities that support such a practice. The result is an uneconomic transfer of income from some collectives to others and to sociopolitical communities.

Mikulic drew attention to the very great differences among the republics and provinces in the rates of increases of producer prices, especially in the past 3 years. These differences amount to 10 percentage points in comparison with the average annual increase in the country. In this way, some republics have increased their share in the social product of Yugoslavia at the expense of other republic and the two provinces. This cannot be explained with a better utilization of capacities and more economical operations, a higher rate of turnover, or a pronouncedly higher productivity of labor, but can be explained chiefly with price increases.

Such behavior leads to an increase of common and public spending and personal incomes, so that the differences in common spending per head of population range to over eight times the minimum, as Mikulic said. The FEC has just completed an analysis of city and regional transfers of income in the country, and this will be the basis for adopting appropriate conclusions that will be built into the economic system and economic policy.

We face postponments, even avoidance of concrete activities, very skillful transferring of one's own responsibility to somebody else, verbal statements in favor of the objectives of the long-term program of economic stabilization and completely contrary behavior, Mikulic said. He also cited market isolationism with the trend toward monopoly, the increasingly frequent phenomenon to either impose one's own interests or block decision making. The lack of work discipline and mass absences from work go unpunished. The funds from economy's income are taxed in legal and illegal ways while through political pressures attempts are made to have such material decisions or systemic solutions adopted in the federation organs which satisfy "my" interests, regardless of the interests of others and society as a whole, behavior that cannot be subsumed under the criteria of the pluralism of self-managing interests and their democratic harmonization.

Speaking of differences of opinion on important issues of the economy, Mikulic said the evil lies not in the differences but in the fact that many behave according to their own opinions and in the fact that the differences are not discussed in an organized and democratic manner. Instead, many of those who do not think like "I" do are publicly labelled and politically disqualified, and at the same time the hardest political assessments of the economic policy as a whole are made.

In sharp tones, Mikulic pointed out numerous examples of violation of regulations, abuses, and malversations of various kinds that cause enormous damage to others and society. It is really difficult to understand, he said, that all this can happen in an organized society and in a country that has a developed legal system, where no consequences are borne for such behavior.

We are unanimous in the assessment that inflation is the biggest economic and social problem. But when we need to limit general and joint expenditure and link the growth of personal incomes with work productivity, when through the monetary and credit policy and through the elimination of irregular channels of issuing money it is necessary to prevent inflated demand and thereby also inflation, then the proposers of such measures are labelled in the crudest way and accused of threatening, for example, the culture of this or that nation, higher education and health, physical culture, and other things. It seems, according to Mikulic, that it is very difficult to rid ourselves of illusions about life in affluence based on taking loans from foreign countries, which we did in the past, as well as illusions about spending unearned income, which we are doing now.

Because of this we have not been able to start revising rights and institutions in general and joint expenditure or reducing a bulky state, political, and economic apparatus, though we all know that this is one of the essential conditions for a way out of the crisis. As far as the FEC is concerned, Mikulic said, it was forced to propose further slowing down of the growth of expenditure in the part of the federal budget whose growth was limited, also including personal incomes in the federal organs, subsidies to sociopolitical and social organizations, journals and magazines, funds for official trips in the country and abroad, and others. This is so because the efforts to decrease the established rights were supported only by the Federal Secretariat for National Defense, which reduced expenditure by 5 percent, Mikulic said.

This is not the first time we are saving at the expense of the Yugoslav People's Army, the FEC president recalled, while the established rights for financing its needs have not been implemented, which understandably has been reflected and is reflecting itself in the realization of the program of modernizing the armed forces and financing regular functions of the Yugoslav People's Army.

Is it posssible at all, Mikulic asked, to develop an economic system and policy that would make up for all violations implementing the economic policy, lack of discipline, bad organization of work, high production expenses, and appropriations from the income of the economy that make it impossible to start the wheel of production and exports? I am convinced that there is no economic system and policy that would by themselves lead to desired results. Mikulic said that this by no means means all the solutions adopted so far in the economic system and the economic policy are good. But even if these solutions were perfect, he believes, in the given general climate they would not lead to any results.

Therefore, let us open a debate on both questions, without compromise or sentimentality toward shortcomings in systemic solutions and the economic policy and also subjective shortcomings. It is an important fact that both our friends and business partners in the world do not doubt the correctness of the policy of the Yugoslav leadership and our economic policy, but only whether we are capable of ensuring its implementation, Branko Mikulic concluded.

Nor can the Trade Union Federation, as Marija Todorovic [not further identified] said, be exempted from the assessment that it has not done every thing it could have done. It can boast a long list of initiatives, not because it does not know or does not want to deal with serious social problems, but because it cannot do it alone. Her impression is that the trade union is often alone and attacked.

It seems we have divided ourselves into those who pull and those who are pulled. Continuing in this style, Marija Todorovic said there would be no change of behavior until everybody harnessed himself to pull forward. She also favored better coordination of action within the framework of the socialist alliance; otherwise, everybody would remain each on his own island.

Commenting on the words of Branko Mikulic about the phenomenon that real personal incomes are growing, Marija Todorovic asked: At what level? She said personal income was lessening in the structure of the work collectives' income, while health, education, and child protection in the national income was also decreasing. As far as comments on its behavior toward intervention laws are concerned, it can be said that the trade union federation was very active, even about personal incomes. We have created such a climate, Marija Todorovic said, whereby responsible behavior should be maintained and personal income should come under control.

The Vojvodina harvest has been successfully completed. About 1.8 million tons of wheat has been produced and as much as 93 percent of the yield has been procured from the farmers. This is the best result in 10 years. But despite this, as Branislav Milovanovic [not further identified] noted, tenders are again being invited for the importation of wheat. What kind of accounts are these and in whose interest is it that grain should be imported at precisely this moment, Milovanovic asked. He called on the directorate for commodity reserves to reexamine the decision on importing wheat while the background to such moves is investigated. [passage omitted]

I think the socialist alliance has not done a great deal to strengthen legality, and a lot could have been done here, said Marjan Kotar [not further identified], agreeing with the view of the FEC president that we have many regulations but that they are not carried out, causing a lapse into even deeper crisis. The law is only what it should be if the majority respects it, Kotar noted, citing the law on the recovery and liquidation of organizations of associated labor as an example of a regulation from which there is deviation as soon as one's own interest is threatened.

Prompted by some of the comments in the debate, Branko Mikulic asked to speak again and turned first to the problem of the supply of medicines. He recalled that last year 283,000,000 [currency not specified] was allocated for this purpose, and this year $305 million will be provided ($135 million in the first half and a further 170 million in the second half of the year). The problem arose, as he explained, because the commercial banks directed foreign currency funds in other directions.

Because of this there had to be intervention from the foreign currency reserves of the country and this is why they were reduced. So that supplies of medicines should be in order, the FEC has proposed there should be an amendment to expand the authority of the foreign currency law so foreign currency funds for these needs are concentrated from all the commercial banks. This was not approved in the assembly, but the FEC, Mikulic said, will invoke Article 105 of the foreign exchange law and secure the necessary foreign currency .

The question of the foreign exchange system was also raised in the debate, to which Mikulic responded by announcing a debate on the subject in the first half of September. He noted that these are major issues that affect other parts of the economic system, but a democratic debate will facilitate the concurrence of everyone in Yugoslavia.

As for the comments on the new accounting system, Mikulic said that those put forward by the economic institute in Luljana in a special publication are also well-known. He said that the half-yearly financial results of the economy would be an opportunity to assess what should be adjusted in the accounting system.

According to Branko Mikulic, the FEC considers that tourism is treated as an export industry, although representatives of the tourist industry do not agree. Nevertheless, in his opinion the degree of stimulation given to the sale of tourism services were increased.

Advocating a principled debate on the agricultural policy, Mikulic said that he would be speaking crudely if he put forward his call for the principle that we will have to pay the price for our own food. Food must also be exported, but we have to see what our realistic opportunities for this are. Two giants (the EEC and the United States) with large subsidies for agriculture, are waging a war on the world food market, and we cannot compete in this. The greatest opportunity for exporting our food is through tourist services, but we are still prepared to discuss this issue further.

Regarding the comment on wheat imports, Mikulic said free prices also imply the application of the principle of free procurement abroad. The intervention in the form of 200,000 tons of wheat can be explained by the needs of the regions that are not producers of wheat and were in a situation where they had to offer 180 dinars per kilogram. The imported wheat was the result of barter deals and cost 100 dinars per kilogram and will be sold at 140 dinars per kilo.

The FEC president repeated the government's objection to the fact that soft and hard wheat is also being procured at the same price, although the idea was to encourage the production of wheat. He also explained that a crisis could be reached in oil supplies, not because of a lack of foreign exchange but of dinar funds. A solution is being sought, Mikulic said, so that we do not arrive at a catastrophic situation with regard to oil supplies.

The FEC considers the liberalization of prices calls for solid social welfare programs for the threatened strata of the population. On the assertion that joint expenditure reduces participation in the social product of the country, Mikulic said we should not delude ourselves that this expenditure is rational. He recently heard, he stressed, that the United States has three cardiovascular surgical centers, while we will have at least three times that number. We should look at whether this is a rational organization of the health service.

Passing references to resignations in the debate occasioned a brief comment from Mikulic. He said that in the press, particularly in certain papers, the question was being raised as to if and when the FEC would resign.

There will be no resignation of the FEC as long as we believe that we can find a way out of the crisis, and we believe this, Mikulic said. Instead of resignation, we will take measures, along the course of economic stabilization. He added that the FEC was reacting neither nervously nor in outrage to these remarks, even though someone seems to believe this can be a way out of the crisis. He added that in his view we cannot be pulled out of the situation in which we find ourselves by either mutual accusations or going over old ground.

Jose Smole initiated a brief polemic, insisting again that the eradication of inflation should not be treated as a long-term task. Mikulic noted that inflation can indeed be brought down quickly, but the question is at what cost. Among other things, this would question the entire concept of the long-term program of economic stabilization. He accepted Smole's view that the attack on inflation is "the priority above all priorities," but said it has its centers that cannot be extinguished that quickly.

Mikulic said he is not in favor of so-called shock therapy, considering there would only be fresh misfortunes if everything earned was taken away from economic collectives by raising prices above, as he said, a certain red line.

Concluding the debate on economic trends, the chairman, Milojko Drulovic, assessed the FEC report as realistic and said that the socialist alliance would be involved in all future actions waged against inflation and in the adoption of a new anti-inflationary program. As the basis of the delegate system, the socialist alliance will not avoid its role of social control in all areas of its operation concerned with the implementation of this program.

Following a debate of almost 6 hours on economic trends, during which the FEC president asked to speak as many as three times, the members of the Presidium of the SAWPY federal conference examined the unfavorable material position of newspaper organizations, its causes and the possible directions for action to promote the position of this branch of the economy, which is of particular social interest. Support was given to the proposals of the business community of newspaper publishers of Yugoslavia for overcoming the present situation in which not only the carrying out of the political-information functions of the daily papers is under threat but also the technological basis and the social position of journalists.

Federal Information Secretary Svetozar Durutovic informed those present that the material position of the public information media will be on the agenda of the FEC session tomorrow. There will be discussion not only of the press but also of the position of radio and television. Durutovic stressed that the press is an important lever in realizing the policy we are advocating, and the FEC would endeavor, in keeping with the orientations of the resolution, to propose some permanent systemic solutions, bearing in mind the proposals of the business community.

The Presidium of the SAWPY federal conference today also approved a report on the conduct of the public debate in SAWP organizations on the proposed changes in the law on associated labor. According to the report the debate basically supported the proposed changes and amendments. The view prevailed that changes in the law on associated labor should be carried out in two phases. The report also contains several concrete suggestions for improving this law and will be sent to the SFRY Assembly commission.

The draft social agreement on the protection and improvement of the environment was also approved today with suggestions for minor adjustments. The agreement has been drawn up over several years and when it is shortly signed by the representatives of 14 republican and federal organs, it will open the way for the organized care of the living and working environment of citizens.

GROUP PROPOSES AMENDMENTS TO SFRY CONSTITUTION

LD050917 Belgrade TANJUG in English 2232 GMT 4 Aug 87

[Text] Belgrade, August 4 (TANJUG) -- The working text of amendments to the Constitution of Yugoslavia was forwarded to the Assembly of Yugoslavia today. A coordinating working group, headed by Yugoslav state Presidency Member Hamdija Pozderac, has proposed 29 amendments to Yugoslavia's constitution. The Assembly Constitutional Commission is to take a stand on the working text on August 18 and 19, upon which the text will be forwarded to the Assembly Federal Chamber.

One of the major proposed novelties is the election of the Assembly of Yugoslavia Federal Chamber delegates by a direct secret ballot. In an interview given to the Belgrade weekly NIN three days ago, Hamdija Pozderac explained that direct elections were not incompatible with the delegation system introduced in Yugoslavia thirteen years ago.

At least a half of the Federal Chamber delegates, as proposed, are to be directly elected by the working people employed in the economy.

The employed are directly to elect also the delegates to the communal, republican and provincial chambers of associated labour.

The constitutional changes proposed in the working text open wider the doors to foreign capital investments in the Yugoslav economy. The foreign capital investments are to be regulated under a separate federal law.

The amendments also propose the stimulating of capital investments by Yugoslav citizens in the development of social sector enterprises, on the basis of joint profits and risk.

All chances are that the current land maximum of ten hectares of privately owned farm land per household, adopted 34 years ago, will be raised. The new land ceiling is to be regulated under a federal law.

The working text of amendments to Yugoslavia's Constitution proposes that the president and vice-presidents of the Assembly of Yugoslavia and the presidents of the two Assembly chambers be elected for a four-year term of office, instead of the present one-year one, but without the possibility of re-election.

The coordinating working group has proposed alternatives in the case of some amendments.

A debate on the working text is expected to open in the Assembly of Yugoslavia Federal Chamber in late September. The Federal Chamber is in autumn to adopt a draft text of constitutional amendments which will be put to a public discussion, most likely to last until April next year.

POLITIKA REPORTS LEADER APPEARANCES 25-30 JULY

AU012039 [Editorial Report] Belgrade POLITIKA in Serbo-Croatian from 25 to 30 July reports the following public appearances of SFRY leaders (date and page of each report given in parentheses):

Slobodan Milosevic, president of the Presidium of the Central Committee of the LC of Serbia, and Milan Kucan, president of the Presidium of the Central Committee of the LC of Slovenia, visited Pec Patriarchate on 24 July. (25 July 87, p 14)

Vasil Tupurkovski, Slobodan Milosevic, Miljan Radovic, Jakov Lazaroski, Milan Kucan, and Georgije Jovicic, members of the LCY Central Committee Presidium, attended a festive session in Pec on 25 July marking the 50th anniversary of Tito's accession to the head of the party and the 50th anniversary of the first regional conference of the Communist Party of Yugoslavia for Kosovo-Metohija. Azem Vlasi, president of the Presidium of the Provincial Committee of the LC of Kosovo, delivered a speech. (26 July 87, p 7)

BRIEFS

ENVOY, USSR OFFICIAL MEET -- Moscow, 29 Jul (TANJUG) -- Ivan Silayev, deputy chairman of the USSR Council of Ministers, today received Yugoslav Ambassador in Moscow Milan Veres. In the course of talks, which proceeded in a friendly atmosphere, reference was made to the preparations for a session of the mixed Yugoslav-Soviet Committee for Economic, Scientific, and Technological cooperation. Ivan Silayev, who is also chairman of the Soviet side to the mixed Yugoslav-Soviet committee, and Milan Veres discussed issues of economic cooperation. [Text] [Belgrade TANJUG Domestic Service in Serbo-Croatian 1223 GMT 29 Jul 87 LD]

USSR TOURIST AGREEMENT -- Belgrade, July 28 (TANJUG -- A major number of tourists from the Soviet Union will spend their summer holidays in Yugoslavia next year, it was agreed under a protocol on cooperation between the tourist agencies of Yugoslavia and the Soviet Union signed here today. Last year, Soviet people registered half a million overnight stays in Yugoslavia's tourist centres, the business community of Yugoslavia's tourist organisations announced. Next year, pre-paid packages for Soviet tourists will be by 10 percent higher at hotels and by about 15 percent higher in dollar amounts for cruises. [Text] [Belgrade TANJUG in English 1615 GMT 28 Jul 87 LD]